

Biennial Budget Request 2007-2009



Wisconsin
Department of Health and
Family Services

September 15, 2006

<http://www.dhfs.state.wi.us/aboutDHFS/index.htm>



State of Wisconsin
Department of Health and Family Services

Jim Doyle, Governor
Helene Nelson, Secretary

September 15, 2006

The Honorable Jim Doyle
Governor, State of Wisconsin
Room 115 East, State Capitol
Madison, Wisconsin 53702

Dear Governor Doyle:

I am pleased to submit to you the 2007-2009 biennial budget request of the Department of Health and Family Services (DHFS). In preparing the request, we were guided by your direction to reform health care, invest in Wisconsin's children, and overall control the tax burden on Wisconsin's citizens through managing spending wisely.

The centerpieces of the Department's biennial budget request are two bold initiatives that you launched in your January 2006 State of the State address.

- Statewide Expansion of Family Care: The DHFS 07-09 biennial budget request includes a major expansion of the Family Care program as part of your plan to implement the successful program statewide in five years. Family Care helps seniors and people with disabilities make choices about their long-term care and respects their dignity and independence. As you know, Family Care can save money per person served, by promoting individuals' health and independence and managing care. By implementing these reforms, we will be able to serve more people and progress toward your intent to eliminate waiting lists for home and community long term care within the five year period.

Under our 07-09 biennial budget proposal, by June 2009, 75% of the state population will have access to an Family Care Aging and Disability Resource Center (ADRC). ADRCs are a vital part of Family Care – they promote healthy living and independence for seniors and people with disabilities, and also provide a single convenient entry point for information and assistance and access to services for older people, people with disabilities, and their families.

Also vital to Family Care is the creation of Care Management Organizations (CMOs) to manage and deliver long-term care services as a flexible benefit, tailored to each individual's needs, circumstances, and preferences. By June 2009, 62% of the state population will be covered by a CMO, and we will have begun the phased enrollment

of people now receiving long term care and those on waiting lists into the program in those geographic areas.

- BadgerCarePlus: You directed the Department to develop the BadgerCarePlus program to ensure that all children in Wisconsin have access to health insurance. The DHFS 07-09 budget implements BadgerCarePlus to achieve your goals of providing affordable health insurance for all children and more low income adults, improving health of those served, lowering the long term costs of Medical Assistance (MA), and simplifying and streamlining program design and administration.

This is a fundamental reform of the state's MA programs that serve children and families. The reformed program and expansion of coverage will be funded entirely from greater use of managed care, administrative savings, and a new co-payment and premium structure. Additional net savings from the initiative will be reinvested to improve services in critical areas, such as increased access to dental care and investing in preventive services that will improve the health of participants and save money in the long run.

In addition the Department's budget proposal advances other long-standing high priority goals of your Administration:

- Preserving the health care safety net: Thank you for your ongoing commitment to maintain eligibility and benefits for low-income and vulnerable populations. Our request is consistent with your past commitments and directions to continue the vital health care safety net services provided by the MA program.

Recent federal legislation changes the way certain MA eligibility criteria are applied. All states, including Wisconsin, must adhere to the new federal laws. The Department's budget brings the state into conformity with the new federal requirements. We are seeking to administer all new federal mandates consistent with your long-standing priority to maintain vital health care safety net services, recognizing we cannot mitigate all impacts. Otherwise the budget we are submitting does not constrain eligibility and benefits.

- KidsFirst: The Department's budget request implements a number of key items in the Governor's KidsFirst plan to help Wisconsin children grow up safe, healthy, and successful in strong families. Three key items in the DHFS budget proposal provide: (a) an increase in reimbursement rates for foster care parents of 5% each calendar year to move towards the goal of bringing Wisconsin's foster care rates to the average of the mid-west states; (b) health care coverage in BadgerCarePlus for youth aged 18-20 aging out of foster care, as part of the BadgerCarePlus program, and (c) measures to support the training and retention of a quality child welfare workforce in the Milwaukee Child Welfare program, necessary to continue to improve the performance of this area consistent with our legal and moral obligations to the children and families we serve.

This budget proposal conforms to instructions provided by the Department of Administration (DOA) for agency requests, the first step in the process of developing your budget. Per DOA instructions, certain items, including the special initiatives highlighted above, entitlement programs, cost-to-continue needs for institutions and federal mandates, are exempt from the GPR targets.

We appreciate the opportunity to fund projected increases in caseload and costs in specified caseload-driven programs in this context. Based on the established budget submission guidelines, our agency request could not include funding for discretionary caseload increases in areas such as waiting lists for services to children with disabilities. I know your commitment to gradually eliminate waiting lists and look forward to assisting in the next steps of planning to do so.

With respect to items subject to the target, the Department is submitting a budget request with no net GPR increase. Consistent with past practice, the Department's budget does not include proposals for rate increases for MA providers which, as always, are a decision for the next steps in the budget process. As in the past, we will work with the Department of Administration State Budget Office this fall to develop provider rate options for consideration for the Governor's budget.

The Department's biennial budget request represents a starting point for the Governor's 07-09 biennial budget submission in early 2007. I look forward to working further with you and your staff in the development of the Governor's budget, including examining ways to strengthen services for children with long-term care needs and make other improvements to promote the health, safety and well-being of the people in Wisconsin.

Sincerely,

A handwritten signature in black ink, appearing to read "Helene Nelson", written over a horizontal line.

Helene Nelson
Secretary

**B 7****BY PROGRAM****435 Health and Family Services**

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Program: 01 DPH (Ops)

Annual Summary**Biennial Summary**

| SOURCE OF FUNDS | Prior Yr Actual | Adjusted Base Year | Agency Request 1st Year | 2nd Year | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
|--------------------------------|----------------------------|-------------------------------|------------------------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| General Purpose Revenue | | | | | | | | |
| a) Total | | 5,487,300 | 5,700,200 | 5,700,200 | 10,974,600 | 11,400,400 | 425,800 | 3.9% |
| b) State Operations | | 5,487,300 | 5,700,200 | 5,700,200 | 10,974,600 | 11,400,400 | 425,800 | 3.9% |
| e) Position FTE | | 45.83 | 45.83 | 45.83 | | | | |
| Federal Revenue | | | | | | | | |
| a) Total | 28,387,200 | 30,634,700 | 31,549,000 | 31,549,000 | 61,269,400 | 63,098,000 | 1,828,600 | 3.0% |
| b) State Operations | 28,387,200 | 30,634,700 | 31,549,000 | 31,549,000 | 61,269,400 | 63,098,000 | 1,828,600 | 3.0% |
| e) Position FTE | | 242.91 | 239.36 | 239.36 | | | | |
| Program Revenue | | | | | | | | |
| a) Total | 9,057,300 | 11,298,900 | 11,231,100 | 10,834,800 | 22,597,800 | 22,065,900 | (531,900) | -2.4% |
| b) State Operations | 9,057,300 | 11,298,900 | 11,231,100 | 10,834,800 | 22,597,800 | 22,065,900 | (531,900) | -2.4% |
| e) Position FTE | | 108.51 | 101.76 | 101.76 | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 3,227,700 | 2,412,600 | 2,917,700 | 3,177,700 | 4,825,200 | 6,095,400 | 1,270,200 | 26.3% |
| b) State Operations | 3,227,700 | 2,412,600 | 2,917,700 | 3,177,700 | 4,825,200 | 6,095,400 | 1,270,200 | 26.3% |
| e) Position FTE | | 31.26 | 31.16 | 31.16 | | | | |
| Segregated Revenue | | | | | | | | |
| a) Total | 291,700 | 297,300 | 306,000 | 306,000 | 594,600 | 612,000 | 17,400 | 2.9% |
| b) State Operations | 291,700 | 297,300 | 306,000 | 306,000 | 594,600 | 612,000 | 17,400 | 2.9% |
| e) Position FTE | | 2.00 | 2.00 | 2.00 | | | | |
| Total | | | | | | | | |
| a) Total | 40,963,900 | 50,130,800 | 51,704,000 | 51,567,700 | 100,261,600 | 103,271,700 | 3,010,100 | 3.0% |
| b) State Operations | 40,963,900 | 50,130,800 | 51,704,000 | 51,567,700 | 100,261,600 | 103,271,700 | 3,010,100 | 3.0% |
| e) Position FTE | | 430.51 | 420.11 | 420.11 | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

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Program: 02 DDES (Institutes)

Annual Summary**Biennial Summary**

| SOURCE OF FUNDS | Prior Yr Actual | Adjusted Base Year | Agency Request | | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
|--------------------------------|----------------------------|-------------------------------|-----------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| | | | 1st Year | 2nd Year | | | | |
| General Purpose Revenue | | | | | | | | |
| a) Total | | 147,582,000 | 163,317,400 | 169,109,900 | 295,164,000 | 332,427,300 | 37,263,300 | 12.6% |
| b) State Operations | | 139,654,500 | 154,966,200 | 159,639,100 | 279,309,000 | 314,605,300 | 35,296,300 | 12.6% |
| c) Local Assistance | | 7,927,500 | 8,351,200 | 9,470,800 | 15,855,000 | 17,822,000 | 1,967,000 | 12.4% |
| e) Position FTE | | 1,645.03 | 1,652.56 | 1,747.91 | | | | |
| Program Revenue | | | | | | | | |
| a) Total | 165,388,900 | 164,306,100 | 177,555,400 | 178,540,600 | 328,612,200 | 356,096,000 | 27,483,800 | 8.4% |
| b) State Operations | 165,388,900 | 164,306,100 | 177,555,400 | 178,540,600 | 328,612,200 | 356,096,000 | 27,483,800 | 8.4% |
| d) Aids to Ind. & Org. | | | | | | | | |
| e) Position FTE | | 2,051.03 | 2,149.41 | 2,075.55 | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 7,539,600 | 7,248,400 | 7,113,700 | 7,205,500 | 14,496,800 | 14,319,200 | (177,600) | -1.2% |
| b) State Operations | 7,539,600 | 7,248,400 | 7,113,700 | 7,205,500 | 14,496,800 | 14,319,200 | (177,600) | -1.2% |
| e) Position FTE | | 63.10 | 69.50 | 69.50 | | | | |
| Total | | | | | | | | |
| a) Total | 172,928,500 | 319,136,500 | 347,986,500 | 354,856,000 | 638,273,000 | 702,842,500 | 64,569,500 | 10.1% |
| b) State Operations | 172,928,500 | 311,209,000 | 339,635,300 | 345,385,200 | 622,418,000 | 685,020,500 | 62,602,500 | 10.1% |
| c) Local Assistance | | 7,927,500 | 8,351,200 | 9,470,800 | 15,855,000 | 17,822,000 | 1,967,000 | 12.4% |
| d) Aids to Ind. & Org. | | | | | | | | |
| e) Position FTE | | 3,759.16 | 3,871.47 | 3,892.96 | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

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Program: 03 DCFS

Annual Summary**Biennial Summary**

| SOURCE OF FUNDS | Prior Yr Actual | Adjusted Base Year | Agency Request 1st Year | 2nd Year | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
|--------------------------------|----------------------------|-------------------------------|------------------------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| General Purpose Revenue | | | | | | | | |
| a) Total | | 110,023,900 | 114,817,500 | 123,678,900 | 220,047,800 | 238,496,400 | 18,448,600 | 8.4% |
| b) State Operations | | 16,896,200 | 18,275,200 | 18,275,200 | 33,792,400 | 36,550,400 | 2,758,000 | 8.2% |
| c) Local Assistance | | 547,200 | 547,200 | 547,200 | 1,094,400 | 1,094,400 | | 0.0% |
| d) Aids to Ind. & Org. | | 92,580,500 | 95,995,100 | 104,856,500 | 185,161,000 | 200,851,600 | 15,690,600 | 8.5% |
| e) Position FTE | | 136.37 | 148.14 | 148.14 | | | | |
| Federal Revenue | | | | | | | | |
| a) Total | 101,234,500 | 103,453,300 | 101,547,300 | 104,734,100 | 206,906,600 | 206,281,400 | (625,200) | -0.3% |
| b) State Operations | 17,825,300 | 16,080,000 | 15,247,100 | 15,279,300 | 32,160,000 | 30,526,400 | (1,633,600) | -5.1% |
| c) Local Assistance | 10,321,100 | 10,796,800 | 10,796,800 | 10,796,800 | 21,593,600 | 21,593,600 | | 0.0% |
| d) Aids to Ind. & Org. | 73,088,100 | 76,576,500 | 75,503,400 | 78,658,000 | 153,153,000 | 154,161,400 | 1,008,400 | 0.7% |
| e) Position FTE | | 111.07 | 101.30 | 101.30 | | | | |
| Program Revenue | | | | | | | | |
| a) Total | 4,538,400 | 5,381,800 | 10,297,100 | 5,098,700 | 10,763,600 | 15,395,800 | 4,632,200 | 43.0% |
| b) State Operations | 988,800 | 1,071,900 | 1,127,500 | 1,127,500 | 2,143,800 | 2,255,000 | 111,200 | 5.2% |
| c) Local Assistance | 1,251,700 | 1,122,100 | 850,800 | 783,400 | 2,244,200 | 1,634,200 | (610,000) | -27.2% |
| d) Aids to Ind. & Org. | 2,297,900 | 3,187,800 | 8,318,800 | 3,187,800 | 6,375,600 | 11,506,600 | 5,131,000 | 80.5% |
| e) Position FTE | | 15.07 | 15.07 | 15.07 | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 56,422,200 | 59,832,800 | 61,286,000 | 61,308,600 | 119,665,600 | 122,594,600 | 2,929,000 | 2.4% |
| b) State Operations | 12,579,800 | 15,253,700 | 15,877,400 | 15,900,000 | 30,507,400 | 31,777,400 | 1,270,000 | 4.2% |
| c) Local Assistance | 23,057,100 | 22,448,800 | 23,417,500 | 23,417,500 | 44,897,600 | 46,835,000 | 1,937,400 | 4.3% |
| d) Aids to Ind. & Org. | 20,785,200 | 22,130,300 | 21,991,100 | 21,991,100 | 44,260,600 | 43,982,200 | (278,400) | -0.6% |
| e) Position FTE | | 66.58 | 66.33 | 66.33 | | | | |
| Total | | | | | | | | |
| a) Total | 162,195,000 | 278,691,800 | 287,947,900 | 294,820,300 | 557,383,600 | 582,768,200 | 25,384,600 | 4.6% |
| b) State Operations | 31,393,900 | 49,301,800 | 50,527,200 | 50,582,000 | 98,603,600 | 101,109,200 | 2,505,600 | 2.5% |
| c) Local Assistance | 34,630,000 | 34,914,900 | 35,612,300 | 35,544,900 | 69,829,800 | 71,157,200 | 1,327,400 | 1.9% |
| d) Aids to Ind. & Org. | 96,171,200 | 194,475,100 | 201,808,400 | 208,693,400 | 388,950,200 | 410,501,800 | 21,551,600 | 5.5% |
| e) Position FTE | | 329.09 | 330.84 | 330.84 | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

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Program: 04 DHCF

| SOURCE OF FUNDS | Annual Summary | | | | Biennial Summary | | | |
|--------------------------------|--------------------|-----------------------|----------------|---------------|----------------------------|---------------------|-----------------------|----------------------|
| | Prior Yr Actual | Adjusted Base Year | Agency Request | | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
| | | | 1st Year | 2nd Year | | | | |
| General Purpose Revenue | | | | | | | | |
| a) Total | | 1,950,426,900 | 2,045,941,200 | 2,199,922,900 | 3,900,853,800 | 4,245,864,100 | 345,010,300 | 8.8% |
| b) State Operations | | 46,365,100 | 46,893,200 | 45,127,200 | 92,730,200 | 92,020,400 | (709,800) | -0.8% |
| c) Local Assistance | | 37,279,000 | 39,695,500 | 39,866,200 | 74,558,000 | 79,561,700 | 5,003,700 | 6.7% |
| d) Aids to Ind. & Org. | | 1,866,782,800 | 1,959,352,500 | 2,114,929,500 | 3,733,565,600 | 4,074,282,000 | 340,716,400 | 9.1% |
| e) Position FTE | | 97.31 | 97.81 | 97.81 | | | | |
| Federal Revenue | | | | | | | | |
| a) Total | 3,252,828,200 | 2,995,795,500 | 3,112,520,900 | 3,293,189,500 | 5,991,591,000 | 6,405,710,400 | 414,119,400 | 6.9% |
| b) State Operations | 98,580,300 | 105,953,700 | 110,869,400 | 110,636,300 | 211,907,400 | 221,505,700 | 9,598,300 | 4.5% |
| c) Local Assistance | 52,856,400 | 56,428,000 | 56,855,300 | 56,855,300 | 112,856,000 | 113,710,600 | 854,600 | 0.8% |
| d) Aids to Ind. & Org. | 3,101,391,500 | 2,833,413,800 | 2,944,796,200 | 3,125,697,900 | 5,666,827,600 | 6,070,494,100 | 403,666,500 | 7.1% |
| e) Position FTE | | 388.35 | 388.80 | 388.80 | | | | |
| Program Revenue | | | | | | | | |
| a) Total | 109,781,900 | 82,662,800 | 115,984,400 | 148,309,000 | 165,325,600 | 264,293,400 | 98,967,800 | 59.9% |
| b) State Operations | 28,460,100 | 6,076,500 | 4,449,300 | 4,508,500 | 12,153,000 | 8,957,800 | (3,195,200) | -26.3% |
| d) Aids to Ind. & Org. | 81,321,800 | 76,586,300 | 111,535,100 | 143,800,500 | 153,172,600 | 255,335,600 | 102,163,000 | 66.7% |
| e) Position FTE | | 10.70 | 10.70 | 10.70 | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 6,399,900 | 5,922,100 | 5,933,600 | 5,933,600 | 11,844,200 | 11,867,200 | 23,000 | 0.2% |
| b) State Operations | 2,407,900 | 2,670,400 | 2,681,900 | 2,681,900 | 5,340,800 | 5,363,800 | 23,000 | 0.4% |
| c) Local Assistance | 1,567,600 | 1,186,100 | 1,186,100 | 1,186,100 | 2,372,200 | 2,372,200 | | 0.0% |
| d) Aids to Ind. & Org. | 2,424,400 | 2,065,600 | 2,065,600 | 2,065,600 | 4,131,200 | 4,131,200 | | 0.0% |
| e) Position FTE | | 8.47 | 8.47 | 8.47 | | | | |
| Segregated Revenue | | | | | | | | |
| a) Total | 360,933,700 | 111,336,400 | 80,752,200 | 76,407,100 | 222,672,800 | 157,159,300 | (65,513,500) | -29.4% |
| c) Local Assistance | 954,500 | 954,500 | | | 1,909,000 | | (1,909,000) | -100.0% |
| d) Aids to Ind. & Org. | 359,979,200 | 110,381,900 | 80,752,200 | 76,407,100 | 220,763,800 | 157,159,300 | (63,604,500) | -28.8% |
| e) Position FTE | | | | | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

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Program: 04 DHCF

Annual Summary**Biennial Summary**

| SOURCE OF FUNDS | Prior Yr Actual | Adjusted Base Year | Agency Request 1st Year | 2nd Year | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
|------------------------|----------------------------|-------------------------------|------------------------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| Total | | | | | | | | |
| a) Total | 3,729,943,700 | 5,146,143,700 | 5,361,132,300 | 5,723,762,100 | 10,292,287,400 | 11,084,894,400 | 792,607,000 | 7.7% |
| b) State Operations | 129,448,200 | 161,065,700 | 164,893,800 | 162,953,900 | 322,131,400 | 327,847,700 | 5,716,300 | 1.8% |
| c) Local Assistance | 55,378,600 | 95,847,600 | 97,736,900 | 97,907,600 | 191,695,200 | 195,644,500 | 3,949,300 | 2.1% |
| d) Aids to Ind. & Org. | 3,545,116,900 | 4,889,230,400 | 5,098,501,600 | 5,462,900,600 | 9,778,460,800 | 10,561,402,200 | 782,941,400 | 8.0% |
| e) Position FTE | | 504.83 | 505.78 | 505.78 | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

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Program: 05 DPH (Aids/LA)

| SOURCE OF FUNDS | Annual Summary | | | | Biennial Summary | | | |
|--------------------------------|---------------------------|------------------------------|-----------------|-----------------|-----------------------------------|----------------------------|------------------------------|-----------------------------|
| | Prior Yr <u>Actual</u> | Adjusted <u>Base Year</u> | Agency Request | | Base Year <u>Doubled (BYD)</u> | Biennial <u>Request</u> | \$ Change <u>From BYD</u> | % Change <u>From BYD</u> |
| | | | <u>1st Year</u> | <u>2nd Year</u> | | | | |
| General Purpose Revenue | | | | | | | | |
| a) Total | | 32,355,800 | 32,425,700 | 35,043,400 | 64,711,600 | 67,469,100 | 2,757,500 | 4.3% |
| c) Local Assistance | | 1,420,300 | 1,420,300 | 1,420,300 | 2,840,600 | 2,840,600 | | 0.0% |
| d) Aids to Ind. & Org. | | 30,935,500 | 31,005,400 | 33,623,100 | 61,871,000 | 64,628,500 | 2,757,500 | 4.5% |
| e) Position FTE | | | | | | | | |
| Federal Revenue | | | | | | | | |
| a) Total | 114,934,700 | 108,340,000 | 118,064,600 | 118,064,600 | 216,680,000 | 236,129,200 | 19,449,200 | 9.0% |
| d) Aids to Ind. & Org. | 114,934,700 | 108,340,000 | 118,064,600 | 118,064,600 | 216,680,000 | 236,129,200 | 19,449,200 | 9.0% |
| e) Position FTE | | | | | | | | |
| Program Revenue | | | | | | | | |
| a) Total | 3,359,500 | 4,957,700 | 6,748,800 | 5,737,700 | 9,915,400 | 12,486,500 | 2,571,100 | 25.9% |
| d) Aids to Ind. & Org. | 3,359,500 | 4,957,700 | 6,748,800 | 5,737,700 | 9,915,400 | 12,486,500 | 2,571,100 | 25.9% |
| e) Position FTE | | | | | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 372,300 | 462,700 | 462,700 | 522,700 | 925,400 | 985,400 | 60,000 | 6.5% |
| c) Local Assistance | | | | | | | | |
| d) Aids to Ind. & Org. | 372,300 | 462,700 | 462,700 | 522,700 | 925,400 | 985,400 | 60,000 | 6.5% |
| e) Position FTE | | | | | | | | |
| Total | | | | | | | | |
| a) Total | 118,666,600 | 146,116,200 | 157,701,800 | 159,368,400 | 292,232,400 | 317,070,200 | 24,837,800 | 8.5% |
| c) Local Assistance | | 1,420,300 | 1,420,300 | 1,420,300 | 2,840,600 | 2,840,600 | | 0.0% |
| d) Aids to Ind. & Org. | 118,666,600 | 144,695,900 | 156,281,500 | 157,948,100 | 289,391,800 | 314,229,600 | 24,837,800 | 8.6% |
| e) Position FTE | | | | | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

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Program: 06 DDES (Ops)

Annual Summary**Biennial Summary**

| SOURCE OF FUNDS | Prior Yr Actual | Adjusted Base Year | Agency Request 1st Year | 2nd Year | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
|--------------------------------|----------------------------|-------------------------------|------------------------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| General Purpose Revenue | | | | | | | | |
| a) Total | | 15,226,700 | 16,397,900 | 16,334,900 | 30,453,400 | 32,732,800 | 2,279,400 | 7.5% |
| b) State Operations | | 15,226,700 | 16,397,900 | 16,334,900 | 30,453,400 | 32,732,800 | 2,279,400 | 7.5% |
| e) Position FTE | | 113.40 | 114.63 | 115.06 | | | | |
| Federal Revenue | | | | | | | | |
| a) Total | 29,737,500 | 31,411,300 | 33,887,300 | 33,825,300 | 62,822,600 | 67,712,600 | 4,890,000 | 7.8% |
| b) State Operations | 29,737,500 | 31,411,300 | 33,887,300 | 33,825,300 | 62,822,600 | 67,712,600 | 4,890,000 | 7.8% |
| e) Position FTE | | 262.65 | 262.30 | 262.30 | | | | |
| Program Revenue | | | | | | | | |
| a) Total | 5,076,000 | 5,814,200 | 6,100,200 | 5,932,800 | 11,628,400 | 12,033,000 | 404,600 | 3.5% |
| b) State Operations | 5,076,000 | 5,814,200 | 6,100,200 | 5,932,800 | 11,628,400 | 12,033,000 | 404,600 | 3.5% |
| e) Position FTE | | 47.20 | 47.20 | 47.20 | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 3,555,200 | 1,646,600 | 1,848,100 | 1,787,600 | 3,293,200 | 3,635,700 | 342,500 | 10.4% |
| b) State Operations | 3,555,200 | 1,646,600 | 1,848,100 | 1,787,600 | 3,293,200 | 3,635,700 | 342,500 | 10.4% |
| e) Position FTE | | 13.69 | 12.46 | 12.03 | | | | |
| Total | | | | | | | | |
| a) Total | 38,368,600 | 54,098,800 | 58,233,500 | 57,880,600 | 108,197,600 | 116,114,100 | 7,916,500 | 7.3% |
| b) State Operations | 38,368,600 | 54,098,800 | 58,233,500 | 57,880,600 | 108,197,600 | 116,114,100 | 7,916,500 | 7.3% |
| e) Position FTE | | 436.94 | 436.59 | 436.59 | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

Printed: 9/13/2006 3:15:04 PM

Program: 07 DDES (Aids/LA)

Annual Summary**Biennial Summary**

| SOURCE OF FUNDS | Prior Yr Actual | Adjusted Base Year | Agency Request 1st Year | 2nd Year | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
|--------------------------------|----------------------------|-------------------------------|------------------------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| General Purpose Revenue | | | | | | | | |
| a) Total | | 438,534,600 | 451,520,700 | 463,398,800 | 877,069,200 | 914,919,500 | 37,850,300 | 4.3% |
| c) Local Assistance | | 296,627,200 | 304,403,700 | 314,115,100 | 593,254,400 | 618,518,800 | 25,264,400 | 4.3% |
| d) Aids to Ind. & Org. | | 141,907,400 | 147,117,000 | 149,283,700 | 283,814,800 | 296,400,700 | 12,585,900 | 4.4% |
| e) Position FTE | | | | | | | | |
| Federal Revenue | | | | | | | | |
| a) Total | 151,512,400 | 147,618,300 | 139,267,400 | 136,973,200 | 295,236,600 | 276,240,600 | (18,996,000) | -6.4% |
| c) Local Assistance | 108,601,600 | 99,117,000 | 98,868,500 | 99,074,400 | 198,234,000 | 197,942,900 | (291,100) | -0.1% |
| d) Aids to Ind. & Org. | 42,910,900 | 48,501,300 | 40,398,900 | 37,898,800 | 97,002,600 | 78,297,700 | (18,704,900) | -19.3% |
| e) Position FTE | | | | | | | | |
| Program Revenue | | | | | | | | |
| a) Total | 1,880,000 | 1,830,000 | 13,463,200 | 31,310,100 | 3,660,000 | 44,773,300 | 41,113,300 | 1123.3% |
| c) Local Assistance | 1,880,000 | 1,830,000 | 1,830,000 | 1,830,000 | 3,660,000 | 3,660,000 | | 0.0% |
| d) Aids to Ind. & Org. | | | 11,633,200 | 29,480,100 | | 41,113,300 | 41,113,300 | |
| e) Position FTE | | | | | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 32,703,100 | 33,483,400 | 33,049,100 | 33,049,100 | 66,966,800 | 66,098,200 | (868,600) | -1.3% |
| c) Local Assistance | 557,200 | 1,286,100 | 831,800 | 831,800 | 2,572,200 | 1,663,600 | (908,600) | -35.3% |
| d) Aids to Ind. & Org. | 32,145,900 | 32,197,300 | 32,217,300 | 32,217,300 | 64,394,600 | 64,434,600 | 40,000 | 0.1% |
| e) Position FTE | | | | | | | | |
| Total | | | | | | | | |
| a) Total | 186,095,500 | 621,466,300 | 637,300,400 | 664,731,200 | 1,242,932,600 | 1,302,031,600 | 59,099,000 | 4.8% |
| c) Local Assistance | 111,038,800 | 398,860,300 | 405,934,000 | 415,851,300 | 797,720,600 | 821,785,300 | 24,064,700 | 3.0% |
| d) Aids to Ind. & Org. | 75,056,700 | 222,606,000 | 231,366,400 | 248,879,900 | 445,212,000 | 480,246,300 | 35,034,300 | 7.9% |
| e) Position FTE | | | | | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

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Program: 08 Exec Svcs

Annual Summary**Biennial Summary**

| SOURCE OF FUNDS | Prior Yr Actual | Adjusted Base Year | Agency Request 1st Year | 2nd Year | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
|--------------------------------|----------------------------|-------------------------------|------------------------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| General Purpose Revenue | | | | | | | | |
| a) Total | | 13,573,300 | 13,264,800 | 13,264,800 | 27,146,600 | 26,529,600 | (617,000) | -2.3% |
| b) State Operations | | 13,573,300 | 13,264,800 | 13,264,800 | 27,146,600 | 26,529,600 | (617,000) | -2.3% |
| e) Position FTE | | 112.63 | 112.63 | 112.63 | | | | |
| Federal Revenue | | | | | | | | |
| a) Total | 5,340,500 | 11,991,200 | 14,738,300 | 13,492,700 | 23,982,400 | 28,231,000 | 4,248,600 | 17.7% |
| b) State Operations | 5,340,500 | 11,991,200 | 14,738,300 | 13,492,700 | 23,982,400 | 28,231,000 | 4,248,600 | 17.7% |
| e) Position FTE | | 61.58 | 65.73 | 65.73 | | | | |
| Program Revenue | | | | | | | | |
| a) Total | | 500 | 500 | 500 | 1,000 | 1,000 | | 0.0% |
| b) State Operations | | 500 | 500 | 500 | 1,000 | 1,000 | | 0.0% |
| e) Position FTE | | | | | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 21,076,400 | 34,054,100 | 27,499,200 | 29,082,100 | 68,108,200 | 56,581,300 | (11,526,900) | -16.9% |
| b) State Operations | 21,076,400 | 34,054,100 | 27,499,200 | 29,082,100 | 68,108,200 | 56,581,300 | (11,526,900) | -16.9% |
| e) Position FTE | | 136.71 | 135.21 | 135.21 | | | | |
| Total | | | | | | | | |
| a) Total | 26,416,800 | 59,619,100 | 55,502,800 | 55,840,100 | 119,238,200 | 111,342,900 | (7,895,300) | -6.6% |
| b) State Operations | 26,416,800 | 59,619,100 | 55,502,800 | 55,840,100 | 119,238,200 | 111,342,900 | (7,895,300) | -6.6% |
| e) Position FTE | | 310.92 | 313.57 | 313.57 | | | | |

**B 7****BY PROGRAM****435 Health and Family Services**

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Program:

| SOURCE OF FUNDS | Annual Summary | | | | Biennial Summary | | | |
|--------------------------------|----------------------------|-------------------------------|-----------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| | Prior Yr Actual | Adjusted Base Year | Agency Request | | Base Year Doubled (BYD) | Biennial Request | \$ Change From BYD | % Change From BYD |
| | | | 1st Year | 2nd Year | | | | |
| General Purpose Revenue | | | | | | | | |
| a) Total | | 2,713,210,500 | 2,843,385,400 | 3,026,453,800 | 5,426,421,000 | 5,869,839,200 | 443,418,200 | 8.2% |
| b) State Operations | | 237,203,100 | 255,497,500 | 258,341,400 | 474,406,200 | 513,838,900 | 39,432,700 | 8.3% |
| c) Local Assistance | | 343,801,200 | 354,417,900 | 365,419,600 | 687,602,400 | 719,837,500 | 32,235,100 | 4.7% |
| d) Aids to Ind. & Org. | | 2,132,206,200 | 2,233,470,000 | 2,402,692,800 | 4,264,412,400 | 4,636,162,800 | 371,750,400 | 8.7% |
| e) Position FTE | | 2,150.57 | 2,171.60 | 2,267.38 | | | | |
| Federal Revenue | | | | | | | | |
| a) Total | 3,683,975,000 | 3,429,244,300 | 3,551,574,800 | 3,731,828,400 | 6,858,488,600 | 7,283,403,200 | 424,914,600 | 6.2% |
| b) State Operations | 179,870,800 | 196,070,900 | 206,291,100 | 204,782,600 | 392,141,800 | 411,073,700 | 18,931,900 | 4.8% |
| c) Local Assistance | 171,779,100 | 166,341,800 | 166,520,600 | 166,726,500 | 332,683,600 | 333,247,100 | 563,500 | 0.2% |
| d) Aids to Ind. & Org. | 3,332,325,100 | 3,066,831,600 | 3,178,763,100 | 3,360,319,300 | 6,133,663,200 | 6,539,082,400 | 405,419,200 | 6.6% |
| e) Position FTE | | 1,066.56 | 1,057.49 | 1,057.49 | | | | |
| Program Revenue | | | | | | | | |
| a) Total | 299,081,900 | 276,252,000 | 341,380,700 | 385,764,200 | 552,504,000 | 727,144,900 | 174,640,900 | 31.6% |
| b) State Operations | 208,971,000 | 188,568,100 | 200,464,000 | 200,944,700 | 377,136,200 | 401,408,700 | 24,272,500 | 6.4% |
| c) Local Assistance | 3,131,700 | 2,952,100 | 2,680,800 | 2,613,400 | 5,904,200 | 5,294,200 | (610,000) | -10.3% |
| d) Aids to Ind. & Org. | 86,979,200 | 84,731,800 | 138,235,900 | 182,206,100 | 169,463,600 | 320,442,000 | 150,978,400 | 89.1% |
| e) Position FTE | | 2,232.51 | 2,324.14 | 2,250.28 | | | | |
| Program Revenue Service | | | | | | | | |
| a) Total | 131,296,200 | 145,062,700 | 140,110,100 | 142,066,900 | 290,125,400 | 282,177,000 | (7,948,400) | -2.7% |
| b) State Operations | 50,386,500 | 63,285,800 | 57,938,000 | 59,834,800 | 126,571,600 | 117,772,800 | (8,798,800) | -7.0% |
| c) Local Assistance | 25,182,000 | 24,921,000 | 25,435,400 | 25,435,400 | 49,842,000 | 50,870,800 | 1,028,800 | 2.1% |
| d) Aids to Ind. & Org. | 55,727,800 | 56,855,900 | 56,736,700 | 56,796,700 | 113,711,800 | 113,533,400 | (178,400) | -0.2% |
| e) Position FTE | | 319.81 | 323.13 | 322.70 | | | | |
| Segregated Revenue | | | | | | | | |
| a) Total | 361,225,400 | 111,633,700 | 81,058,200 | 76,713,100 | 223,267,400 | 157,771,300 | (65,496,100) | -29.3% |
| b) State Operations | 291,700 | 297,300 | 306,000 | 306,000 | 594,600 | 612,000 | 17,400 | 2.9% |
| c) Local Assistance | 954,500 | 954,500 | | | 1,909,000 | | (1,909,000) | -100.0% |
| d) Aids to Ind. & Org. | 359,979,200 | 110,381,900 | 80,752,200 | 76,407,100 | 220,763,800 | 157,159,300 | (63,604,500) | -28.8% |
| e) Position FTE | | 2.00 | 2.00 | 2.00 | | | | |

**B 7 BY PROGRAM 435 Health and Family Services**

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Program:

| <u>SOURCE OF FUNDS</u> | <u>Annual Summary</u> | | | | <u>Biennial Summary</u> | | | |
|------------------------|----------------------------|-------------------------------|-----------------------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------|
| | <u>Prior Yr Actual</u> | <u>Adjusted Base Year</u> | <u>Agency Request</u> | | <u>Base Year Doubled (BYD)</u> | <u>Biennial Request</u> | <u>\$ Change From BYD</u> | <u>% Change From BYD</u> |
| | | | <u>1st Year</u> | <u>2nd Year</u> | | | | |
| Total | | | | | | | | |
| a) Total | 4,475,578,600 | 6,675,403,200 | 6,957,509,200 | 7,362,826,400 | 13,350,806,400 | 14,320,335,600 | 969,529,200 | 7.3% |
| b) State Operations | 439,519,900 | 685,425,200 | 720,496,600 | 724,209,500 | 1,370,850,400 | 1,444,706,100 | 73,855,700 | 5.4% |
| c) Local Assistance | 201,047,300 | 538,970,600 | 549,054,700 | 560,194,900 | 1,077,941,200 | 1,109,249,600 | 31,308,400 | 2.9% |
| d) Aids to Ind. & Org. | 3,835,011,300 | 5,451,007,400 | 5,687,957,900 | 6,078,422,000 | 10,902,014,800 | 11,766,379,900 | 864,365,100 | 7.9% |
| e) Position FTE | | 5,771.45 | 5,878.36 | 5,899.85 | | | | |



Department: 435 DHFS

Decision Item: 2000 Adjusted Base

Decision Item Summary

Printed: 4:08 PM Wednesday, September 13, 200

| Expenditure Items | First Year | | | Second Year | | |
|--|---------------|----------------|---------------|---------------|-----------------|---------------|
| | Adj Base Year | Changes to Bas | Total Budget | Adj Base Year | Changes to Base | Total Budget |
| 01 Permanent Position Salaries | 262,335,400 | | 262,335,400 | 262,335,400 | | 262,335,400 |
| 02 Turnover | | | | | | |
| 03 Project Position Salaries | 2,136,300 | | 2,136,300 | 2,136,300 | | 2,136,300 |
| 04 LTE Salaries | 3,165,500 | | 3,165,500 | 3,165,500 | | 3,165,500 |
| 05 Fringe Benefits | 113,861,100 | | 113,861,100 | 113,861,100 | | 113,861,100 |
| 06 Supplies and Services | 219,250,500 | | 219,250,500 | 219,250,500 | | 219,250,500 |
| 07 Permanent Property | 3,882,600 | | 3,882,600 | 3,882,600 | | 3,882,600 |
| 08 Unallotted Reserve | 2,677,200 | | 2,677,200 | 2,677,200 | | 2,677,200 |
| 09 Aids to Individuals & Organizations | 5,470,422,900 | | 5,470,422,900 | 5,470,422,900 | | 5,470,422,900 |
| 10 Local Assistance | 538,037,000 | | 538,037,000 | 538,037,000 | | 538,037,000 |
| 11 One-Time Financing | 58,000 | | 58,000 | 58,000 | | 58,000 |
| 12 Debt Service | 13,125,700 | | 13,125,700 | 13,125,700 | | 13,125,700 |
| 13 Food | 3,191,300 | | 3,191,300 | 3,191,300 | | 3,191,300 |
| 14 Variabled Non-Food | 17,400,700 | | 17,400,700 | 17,400,700 | | 17,400,700 |
| 15 Internal Data Processing | 16,806,100 | | 16,806,100 | 16,806,100 | | 16,806,100 |
| 16 Rent (leased and state-owned) | 9,052,900 | | 9,052,900 | 9,052,900 | | 9,052,900 |
| 17 Total Cost | 6,675,403,200 | | 6,675,403,200 | 6,675,403,200 | | 6,675,403,200 |
| 18 Project Positions Authorized | 10.25 | 0.00 | 10.25 | 10.25 | 0.00 | 10.25 |
| 19 Classified Positions Authorized | 5,749.70 | 0.00 | 5,749.70 | 5,749.70 | 0.00 | 5,749.70 |
| 20 Unclassified Positions Authorized | 11.50 | 0.00 | 11.50 | 11.50 | 0.00 | 11.50 |
| 21 Position Totals | 5,771.45 | 0.00 | 5,771.45 | 5,771.45 | 0.00 | 5,771.45 |

DEPARTMENT OF HEALTH AND FAMILY SERVICES

AGENCY DESCRIPTION

The department is headed by a secretary who is appointed by the Governor with the advice and consent of the Senate and has five divisions. The department works in partnership with local governments, health and human services agencies, private providers, and concerned and affected citizens to:

- Foster the availability and accessibility of care, treatment and other assistance for persons most in need through careful planning of services and efficient distribution and use of resources.
- Promote individual, family and community well-being and health through vigorous programs to reduce or prevent avoidable illness, disability or dependency and their associated costs.
- Encourage local public and private initiative and support for human service programs.
- Give priority to the interests and needs of vulnerable persons including children and the elderly, those in need of long-term support, and families.
- Provide for public safety and protection through programs for adult criminal offenders who are mentally or emotionally impaired.
- Provide incentives and oversight so that public funds are put to effective use. Programs must be characterized by acceptable quality without unnecessary cost, accountability without needless paperwork, creativity and innovation without loss of purpose, and efficiency without jeopardizing access, equity or availability.
- Carry out these responsibilities with the participation and advice of communities, providers, clients and citizens in a way that respects the dignity and self-reliance of everyone involved.

MISSION

The department helps individuals and families build a healthy, safe and dignified life through an array of aging, public health and mental health services, and through programs such as Medicaid, Family Care and SeniorCare.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 2: Disability and Elder Services (Institutions)

Program 3: Children and Family Services

Goal: Develop effective, efficient, accessible human service systems that provide quality care, service and support.

Objective/Activity: Reduce the incidence of child abuse and neglect among Wisconsin children through the Brighter Futures Initiative; Safe and Stable Families Program; Title IV-E; Prevention of Child Abuse and Neglect Program projects; and other child abuse and neglect prevention efforts.

Program 4: Health Services Planning, Regulation and Delivery; Health Care Financing; Other Support Programs

Goal: Promote actions that improve and protect the health and well-being of the people in Wisconsin.

Objective/Activity: Increase the percentage of Wisconsin uninsured, low-income children and parents that have health care coverage through implementation of the BadgerCare program and Medical Assistance program for low-income families.

Program 5: Public Health Services Planning, Regulation and Delivery; Aids and Local Assistance

Goal: Promote actions that improve and protect the health and well-being of the people in Wisconsin.

Objective/Activity: Reduce the prevalence of current cigarette smoking among youth through an expansion of efforts under the Thomas T. Melvin Youth Tobacco Program and through the collaborative efforts of the Division of Public Health, Division of Children and Family Services, and Division of Disability and Elder Services.

Objective/Activity: Reduce the prevalence of smoking among adults through smoking cessation activities and through community-based efforts to reduce tobacco use.

Objective/Activity: Reduce the number of people who acquire HIV infection by preventing infection among high-risk persons; increasing knowledge of serostatus among those infected; increasing prevention interventions for persons living with HIV; strengthening the prevention and treatment interface; increasing commitment and cooperation from community partners; and evaluating HIV prevention programs.

Objective/Activity: Increase the rate at which Wisconsin children are immunized against measles, mumps, rubella, tetanus, pertussis, diphtheria, polio, Hib and Hep B by supplying vaccines for immunization, enforcement of the Student Immunization Law, utilization of the immunization registry, assessing providers' immunization records, and collaboration and education.

Program 7: Disability and Elder Services

Goal: Develop effective, efficient and accessible human service systems that provide quality care, service and support.

Objective/Activity: Increase the number of developmentally disabled persons served by the Community Integration Program 1A versus the Centers for the Developmentally Disabled by increasing the Community Integration Program 1A placement rate; educating guardians on the benefits of community placements; developing appropriate supports for community placements; and implementing effective oversight and quality assurance measures for community placements.

PERFORMANCE MEASURES

2005 AND 2006 GOALS AND ACTUALS

| Prog. No. | Performance Measure | Goal 2005 | Actual 2005 | Goal 2006 | Actual 2006 |
|------------|---|-----------|-------------|-----------|--------------|
| 3., 5., 7. | Percentage of Wisconsin youth (grades 9-12) who smoke. ¹ | 22% | 23% | 20% | 22% (est.) |
| 3., 5., 7. | Percentage of Wisconsin youth (grades 6-8) who smoke. ¹ | 7% | 7% (est.) | 6% | 7% (est.) |
| 5., 7. | Percentage of Wisconsin adults (persons 18 and over) who smoke. ¹ | 21% | 21% | 21% | 21% (est.) |
| 5. | Number of persons in Wisconsin with newly reported HIV infections. ¹ | 350 | 375 | 332 | 400 (est.) |
| 3., 4., 5. | Rate of completion for primary vaccinations among Wisconsin two-year-olds. ¹ | 85% | 82.9% | 86% | 83.0% (est.) |

| Prog. No. | Performance Measure | Goal 2005 | Actual 2005 | Goal 2006 | Actual 2006 |
|------------|--|-----------|-------------|-----------|--------------|
| 4. | Percentage of uninsured eligible low-income children and adults enrolled in BadgerCare/Medical Assistance. | 81% | 82% | 82% | 82% (est.) |
| 3., 5. | Rate of child abuse and neglect victimization in Wisconsin per 1,000 children under 18 years of age ¹ | 7.1 | 7.5 | 7.0 | 7.6 (est.) |
| 2., 4., 7. | Number of participants in the Community Integration Program 1A. ¹ | 1,282 | 1,307 | 1,292 | 1,349 (est.) |

Note: Based on fiscal year.

¹ Based on calendar year.

All data for 2006 and selected data for 2005 are estimates. Actual data were not available.

2007, 2008 AND 2009 GOALS

| Prog. No. | Performance Measure | Goal 2007 | Goal 2008 | Goal 2009 |
|------------|---|-----------|-----------|-----------|
| 3., 5., 7. | Percentage of Wisconsin youth (grades 9-12) who smoke. ¹ | 20% | 19% | 18% |
| 3., 5., 7. | Percentage of Wisconsin youth (grades 6-8) who smoke. ¹ | 6% | 6% | 6% |
| 5., 7. | Percentage of Wisconsin adults (persons 18 and over) who smoke. ¹ | 20% | 19% | 18% |
| 5. | Number of persons in Wisconsin with newly reported HIV infections. ¹ | 380 | 380 | 380 |
| 3., 4., 5. | Rate of completion for primary vaccinations among Wisconsin two-year-olds. ¹ | 84% | 84.1% | 84.1% |
| 4. | Percentage of uninsured eligible low-income children and adults enrolled in BadgerCare/Medical Assistance. | 83% | 83% | 83% |
| 3., 5. | Rate of child abuse and neglect victimization in Wisconsin per 1,000 children under 18 years of age. ¹ | 6.4 | 6.4 | 6.3 |
| 2., 4., 7. | Number of participants in the Community Integration Program 1A. ¹ | 1,365 | 1,378 | 1,401 |

Note: Based on fiscal year.

¹ Based on calendar year.

2007 Goal for "Number of persons in Wisconsin with newly reported HIV infections" revised from prior goal of 316 persons.

2007 Goal for “Rate of Completion for primary vaccinations among Wisconsin two-year-olds” revised from prior goal of 87%.

2007 Goal for rate of child abuse victimization revised from prior goal of 6.9. Beginning with the Goal established for 2007, projections are based on the actual number of child victims rather than the number of substantiated allegations of abuse and neglect. If the actual number of child victims is used rather than the number of substantiated allegations, the actual rate for 2005 would be 6.5 child victims per 1000 children instead of 7.5 substantiated allegations per 1000 children. Improvements in child abuse and neglect data starting in 2005 make it possible to differentiate the number of substantiated allegations from the number of actual children associated with these substantiated allegations.

2007 Goal for “Number of participants in the Community Integration Program 1A” revised from prior goal of 1,302.

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| 5602 | 29 | Office for the Blind and Visually Impaired |
| | | |
| | | <i>Program 8 -- Executive Services</i> |
| 5801 | 30 | Administrative Transfers |
| 5802 | 31 | Administrative Reductions |

**Turnover Reduction
(DIN 3001)**

This decision item removes 3% of permanent position salaries under the assumption that savings will result from position vacancies in appropriations with at least 50 FTE.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|----------------|-----|----------------|-----|-----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | (2,961,900.00) | | (2,961,900.00) | | (5,923,800.00) | |
| FED | (1,158,700.00) | | (1,158,700.00) | | (2,317,400.00) | |
| PR | (2,770,200.00) | | (2,770,200.00) | | (5,540,400.00) | |
| PRS | (386,400.00) | | (386,400.00) | | (772,800.00) | |
| SEG | | | | | | |
| Total | (7,277,200.00) | | (7,277,200.00) | | (14,554,400.00) | |

**Remove Noncontinuing Elements from Base
(DIN 3002)**

This decision item removes from the base all noncontinuing positions and dollars approved on a one-time basis. Noncontinuing elements include project positions scheduled to end prior to October 1, 2008, and funding budgeted for specific one-time purposes.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|--------|--------------|--------|----------------|--------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | (173,800.00) | (3.00) | (173,800.00) | (3.00) | (347,600.00) | (3.00) |
| PR | (597,700.00) | (1.70) | (597,700.00) | (1.70) | (1,195,400.00) | (1.70) |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | (771,500.00) | (4.70) | (771,500.00) | (4.70) | (1,543,000.00) | (4.70) |

**Full Funding of Salaries and Fringe
(DIN 3003)**

This decision item increases or decreases adjusted base year salary and fringe benefit levels to documented actual levels. The new agency fringe rate is applied to the adjusted salary levels.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|----------------|-----|----------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 11,841,000.00 | | 11,841,000.00 | | 23,682,000.00 | |
| FED | 5,617,300.00 | | 5,617,300.00 | | 11,234,600.00 | |
| PR | 2,785,300.00 | | 2,785,300.00 | | 5,570,600.00 | |
| PRS | (1,614,500.00) | | (1,614,500.00) | | (3,229,000.00) | |
| SEG | 8,700.00 | | 8,700.00 | | 17,400.00 | |
| Total | 18,637,800.00 | | 18,637,800.00 | | 37,275,600.00 | |

Overtime (DIN 3007)

This decision item requests funding for overtime costs for the Division of Disability and Elder Services' mental health institutions, secure treatment facilities, and the centers for developmentally disabled in the 2007-09 biennium.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 3,315,500.00 | | 3,322,800.00 | | 6,638,300.00 | |
| FED | | | | | | |
| PR | 5,728,500.00 | | 5,832,200.00 | | 11,560,700.00 | |
| PRS | 164,800.00 | | 167,600.00 | | 332,400.00 | |
| SEG | | | | | | |
| Total | 9,208,800.00 | | 9,322,600.00 | | 18,531,400.00 | |

Night and Weekend Differential (DIN 3008)

This decision item adjusts for salary and fringe increments for employees entitled by contract to a wage premium. These increases cover holiday, night, nurse responsibility, weekend differential, specialty standby/on call and permanent payments.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 1,693,200.00 | | 1,693,200.00 | | 3,386,400.00 | |
| FED | 90,200.00 | | 90,200.00 | | 180,400.00 | |
| PR | 2,326,800.00 | | 2,326,800.00 | | 4,653,600.00 | |
| PRS | 131,800.00 | | 131,800.00 | | 263,600.00 | |
| SEG | | | | | | |
| Total | 4,242,000.00 | | 4,242,000.00 | | 8,484,000.00 | |

**Minor Transfers Within the Same Alpha Appropriation
(DIN 3011)**

This decision item requests minor transfers of funds and/or positions within the same alpha appropriation and within base funding and position levels.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------|-----|---------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | | | | | | |

**Food Reestimate
(DIN 4502)**

The Department requests an increase of \$178,200 GPR and \$646,000 PR in FY08 and \$264,100 GPR and \$651,100 PR in FY09 to fund costs in food services for the facilities administered by the Division of Disability and Elder Services. These facilities include Mendota and Winnebago Mental Health Institutes, the Wisconsin Resource Center, Sand Ridge Secure Treatment Center, and Central, Northern and Southern Centers for the Developmentally Disabled.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 178,200.00 | | 264,100.00 | | 442,300.00 | |
| FED | | | | | | |
| PR | 646,000.00 | | 651,100.00 | | 1,297,100.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 824,200.00 | | 915,200.00 | | 1,739,400.00 | |

**Municipal Services
(DIN 4509)**

This decision item adjusts the base level of funding for actual increases in municipal services costs. Municipal services are provided by local governments to the Department's centers and institutions that are managed by the Division of Disability and Elder Services. Municipal services cost adjustments are determined comparing the base amount against the actual amount.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | 158,400.00 | | 158,400.00 | | 316,800.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 158,400.00 | | 158,400.00 | | 316,800.00 | |

Restoration of Power Plant Positions (DIN 4510)

The Department requests \$2,516,300 PR/PRS and 41.0 PR/PRS FTE in each year of the biennium to fund the costs of restoring the power plant positions at the Mental Health Institutes and the Centers for the Developmentally Disabled. The positions were deleted in 2005 Act 25. These positions and costs are directly associated with supporting the operation of the power plants.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-------|--------------|-------|----------------|-------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | 2,044,300.00 | 33.00 | 2,044,300.00 | 33.00 | 4,088,600.00 | 33.00 |
| PRS | 472,000.00 | 8.00 | 472,000.00 | 8.00 | 944,000.00 | 8.00 |
| SEG | | | | | | |
| Total | 2,516,300.00 | 41.00 | 2,516,300.00 | 41.00 | 5,032,600.00 | 41.00 |

Variable Non-Food Reestimate (DIN 4515)

The Department requests \$654,700 GPR and \$1,535,300 PR in FY08 and \$1,525,900 GPR and \$1,977,000 PR in FY09 to fund the increased cost of variable non-food expenses for the Mental Health Institutes, the Wisconsin Resource Center, Sand Ridge Secure Treatment Center and the Centers for the Developmentally Disabled. These expenditures are directly related to the size of the population and include medical services and supplies, drugs, clothing and other supplies.

This request reflects the significant increases in drug costs that have been experienced at these institutions in recent years and that are expected to continue in the 2007-09 biennium. Medical service costs are also increasing as the Department's facilities provide services to more

individuals with medical needs. Medical services include such items as hospitalization, diagnostic testing and outpatient medical visits.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 654,700.00 | | 1,525,900.00 | | 2,180,600.00 | |
| FED | | | | | | |
| PR | 1,535,300.00 | | 1,977,000.00 | | 3,512,300.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 2,190,000.00 | | 3,502,900.00 | | 5,692,900.00 | |

Fuel and Utilities Reestimate (DIN 4516)

The Department requests \$1,287,700 PR in FY08 and \$1,642,700 PR in FY09 to pay for projected increases in fuel for the facilities administered by the Division of Disability and Elder Services. These facilities include Mendota and Winnebago Mental Health Institutes, the Wisconsin Resources Center, Sand Ridge Secure Treatment Center and Central, Northern and Southern Centers for the Developmentally Disabled.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | 1,287,700.00 | | 1,642,700.00 | | 2,930,400.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 1,287,700.00 | | 1,642,700.00 | | 2,930,400.00 | |

Extend/Convert Project Positions (DIN 4525)

The Department requests the extension of existing project positions ending in the 2007-09 biennium.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | 313,500.00 | | 225,200.00 | | 538,700.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 313,500.00 | | 225,200.00 | | 538,700.00 | |

State Controller's Office Charges (DIN 4530)

This decision item funds the PR and FED costs of operating and maintaining the state accounting system.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|-------------|-----|-------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | 29,200.00 | | 29,200.00 | | 58,400.00 | |
| PR | (47,200.00) | | (47,200.00) | | (94,400.00) | |
| PRS | (8,100.00) | | (8,100.00) | | (16,200.00) | |
| SEG | | | | | | |
| Total | (26,100.00) | | (26,100.00) | | (52,200.00) | |

PR/PRS Base Reestimates (DIN 4550)

The Department requests adjustments in PR/PRS appropriations to reflect current projections of program costs.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|----------------|-----|----------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | 810,200.00 | | (606,600.00) | | 203,600.00 | |
| PRS | (4,998,200.00) | | (3,006,300.00) | | (8,004,500.00) | |
| SEG | | | | | | |
| Total | (4,188,000.00) | | (3,612,900.00) | | (7,800,900.00) | |

**SEG Base Reestimates
(DIN 4551)**

The Department requests adjustments in SEG appropriations to reflect current projections of program costs.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | (954,500.00) | | (954,500.00) | | (1,909,000.00) | |
| Total | (954,500.00) | | (954,500.00) | | (1,909,000.00) | |

**PRF Base Reestimates
(DIN 4555)**

The Department requests adjustments in PRF appropriations to reflect current projections of program costs.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|----------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | 1,350,300.00 | | (1,289,600.00) | | 60,700.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 1,350,300.00 | | (1,289,600.00) | | 60,700.00 | |

**Family Care Expansion
(DIN 5001)**

The Department requests an increase of \$4,657,100 GPR, \$9,150,700 FED, and \$11,633,200 PR in FY08 and an increase of \$17,258,700 GPR, \$13,548,600 FED, and \$29,480,100 PR in FY09 to expand Family Care.

Family Care is a managed care long-term care program currently piloted in five counties that offers seniors and people with disabilities the choice to get long-term care in their own home and communities as an alternative to nursing home care. Family Care has proven to be successful in providing people the long term care they need and prefer and in helping people

stay healthy and independent. Because it is an entitlement, it has increased access to long-term care services and eliminated waiting lists for community-based long-term care. A recent evaluation found Family Care to be more cost effective than other long-term care options in Wisconsin.

Family Care serves adults with physical and developmental disabilities and frail elders. Family Care has two major organizational components. (1) Aging and disability resource centers (ADRCs) offer the general public a single convenient entry point for information and assistance, counseling about long-term care options, healthy aging and prevention programs, and access to services for older people, people with disabilities, and their families. (2) Care Management Organizations (CMOs) manage and deliver long-term care services as a flexible benefit, tailored to each individual's needs, circumstances, and preferences.

Under this expansion proposal, service delivery and costs will be managed through a flexible, integrated, individualized managed care benefit. CMO service areas will be multi-county; single county CMOs may be created in Dane and Milwaukee counties. CMOs can be private organizations, public-private partnerships, or multi-county consortia. As in the current Family Care program, CMOs will be reimbursed through an actuarially sound per person capitated rate. It is expected that all regional sites will offer the current Family Care integrated long-term benefit through one or more CMOs. The Department also welcomes regions considering offering a fully-integrated long-term, primary, and acute care Medicaid benefit, in addition to the Family Care long-term care benefit.

In this expansion CMO costs are offset by funds currently being used to pay for long-term care services for those individuals who transfer to Family Care. In particular, the Medicaid fee for service, Medicaid waiver and Community Options Program (COP) funding related to long-term care clients is reallocated for use in the Family Care program, as individuals transfer into Family Care. In addition, the current level of county funding, including Community Aids, supporting long-term care services for Family Care-eligible individuals, is assumed to continue to support the long-term care system under the Family Care expansion.

Under this expansion proposal, 75% of the state population will have access to an ADRC and 62% of the state population will be covered by a CMO by the end of FY09. The actual expansion sites will be determined based on sites' readiness. Currently, ten groups are carrying out intensive planning efforts, facilitated by planning grant funds provided by the Department from a federal grant.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------------|-----|---------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 4,657,100.00 | | 17,258,700.00 | | 21,915,800.00 | |
| FED | 9,150,700.00 | | 13,548,600.00 | | 22,699,300.00 | |
| PR | 11,633,200.00 | | 29,480,100.00 | | 41,113,300.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 25,441,000.00 | | 60,287,400.00 | | 85,728,400.00 | |

BadgerCarePlus (DIN 5002)

The Department requests a decrease of (\$1,351,600) FED and an increase of \$4,760,800 PR in FY08, an increase of \$6,248,400 FED and \$21,861,600 PR in FY09, and a transfer of \$1,471,700 GPR from FY08 to FY09 to implement the BadgerCarePlus program.

BadgerCarePlus is a new initiative to provide access to affordable health insurance for all children and expand eligibility to include more adults. BadgerCarePlus merges the current family Medicaid, BadgerCare and Healthy Start programs to form a comprehensive health insurance program for low income children and families.

BadgerCare Plus will expand eligibility to six new populations: (1) all children with incomes above 185 percent of the federal poverty level (FPL); (2) pregnant women with incomes between 185 and 300 percent of FPL; (3) parents and caretaker relatives with incomes between 185 and 200 percent of FPL; (4) parents with children in foster care with incomes up to 200 percent of FPL; (5) youth (ages 18 through 20) aging out of foster care; and (6) farmers and other self-employed parents with incomes up to 200 percent of FPL, contingent on depreciation calculations. A key component of BadgerCarePlus is implementation of a benchmark plan for the majority of the expansion population. This new benefit plan is adapted from the State's largest, low-cost commercial plan with four benefits added to ensure that the plan meets the needs of the targeted populations.

Other key features of BadgerCarePlus are: a focus on prevention and healthy living, streamlined eligibility processes, and assistance to employees in purchasing quality, employer-sponsored coverage.

New costs for the BadgerCarePlus program are \$9,947,600 AF/\$3,541,300 GPR in FY08 and \$37,786,700 AF/\$13,527,600 GPR in FY09. The new costs are more than offset by savings of (\$18,638,700 AF/\$7,516,600 GPR) in FY08 and (\$40,125,600 AF/\$16,202,000 GPR) in FY09 due to expanded use of managed care, a new co-payment and premium structure, and simplification of state administration. Under this proposal the net biennial savings of \$6,649,700 GPR is reinvested in the program to support key objectives, including improved dental access and the promotion of healthy living behaviors.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|----------------|-----|---------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | (1,471,700.00) | | 1,471,700.00 | | | |
| FED | (1,351,600.00) | | 6,248,400.00 | | 4,896,800.00 | |
| PR | 4,760,800.00 | | 21,861,600.00 | | 26,622,400.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 1,937,500.00 | | 29,581,700.00 | | 31,519,200.00 | |

HIV/AIDS Reestimate (DIN 5101)

The Department requests \$2,563,000 GPR in FY09 to fund the HIV/AIDS programs to meet projected caseload and cost increases in the program. This request is comprised of increases of \$413,700 GPR in FY09 to fund the HIV/AIDS Drug Assistance Program and \$2,149,300 GPR in FY09 to fund the HIV/AIDS Insurance Premium Subsidy Program.

The HIV/AIDS Drug Assistance Program (ADAP) reimburses individuals with incomes at or below 300% of poverty for HIV/AIDS-related drug therapies. The AIDS/HIV Insurance Premium Subsidy Program subsidizes continuation coverage of group and individual health insurance premiums for individuals whose HIV disease prevents them from continuing to work as verified by their physician. Residents of Wisconsin with incomes below 300% of poverty whose HIV infection is verified by a physician are eligible for the program.

In addition to state funding, the ADAP and Insurance Premium Subsidy Programs are also funded by a federal grant, the Ryan White (RW) grant, and from drug rebates received from drug manufacturers, as provided in federal law. The federal government provides funds to states for HIV/AIDS services in the form of the annual RW grant. Based on increased caseloads and costs, projected increases in expenditures of ADAP are 16% per year and for the Insurance Premium Subsidy program are 23% per year. Currently it is estimated that federal funding will not be sufficient to cover anticipated expenditure increases. Drug rebate revenues will be sufficient to fund the remaining need in the ADAP and Insurance Program in FY08 and to fund a portion of the remaining need in FY09.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | 2,563,000.00 | | 2,563,000.00 | |
| GED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | | | 2,563,000.00 | | 2,563,000.00 | |

Tuberculosis Program Reestimate (DIN 5102)

The Department requests an increase of \$69,900 GPR in FY08 and \$124,600 GPR in FY09 to fund the Tuberculosis Program, which provides services related to tuberculosis (TB) to individuals and local public health departments. The state program pays for public health dispensary services and drugs for the treatment of tuberculosis. The program may also pay the hospitalization costs of individuals who must be isolated due to their disease.

Counties with populations of more than 25,000 are permitted to establish public health dispensaries for the diagnosis and treatment of individuals who are suffering from tuberculosis. Services provided by dispensaries include TB-related clinic visits, chest x-rays and directly

observed therapy (DOT). Dispensaries are reimbursed for the services provided at the rate paid for these services in the Medicaid program. The program also pays the costs of TB drugs which it provides to local agencies for the treatment of the disease.

Although actual TB caseloads have fallen in Wisconsin, the population requiring TB tests is expected to continue to increase over the biennium. In addition, more cases of very expensive drug-resistant TB are occurring. As more counties become dispensary counties and receive the Medicaid rate for services to individuals with TB, the cost of services is expected to continue to increase over the next biennium as well. Based on the trend of dispensary and drug costs over the last decade, dispensary costs are anticipated to increase at the current rate of 20% annually and drug costs are expected to increase at the current rate of 5.3% annually in the 2007-09 biennium.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|-----------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 69,900.00 | | 124,600.00 | | 194,500.00 | |
| FED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 69,900.00 | | 124,600.00 | | 194,500.00 | |

Sexually Violent Persons Program Reestimate (DIN 5200)

The Department requests \$3,689,400 GPR and 95.35 GPR FTE in FY09 to provide required services to the projected population of Sexually Violent Persons (SVP) in the 2007-2009 biennium.

DHFS provides specialized treatment services for persons committed under Wisconsin's Sexually Violent Persons law at the Sand Ridge Secure Treatment Center (SRSTC) and the Wisconsin Resource Center. The growth rate in the SVP population has increased in recent years. Recent legislation, 2003 Wisconsin Act 187 and 2005 Wisconsin Act 434, strengthen the commitment and supervised release criteria for SVPs. As a result, a steeper rate of increase in SVP population is projected for the 2007-2009 biennium. The projected population is expected to exceed the current 420 staffed beds within the system in the 2007-09 biennium. To address this increase, the State Building Commission authorized at its March 2006 meeting planning funds for a 300 bed expansion at SRSTC. In its 2007-2009 Capital Budget Request the Department requested funding to build this expansion for an additional 300 beds at SRSTC. Based on the projected construction schedule, the first 100 new beds will be available in January 2009. This request opens and staffs 50 new beds in January 2009 and an additional 50 beds in April 2009.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------|-----|--------------|-------|----------------|-------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | 3,689,400.00 | 95.35 | 3,689,400.00 | 95.35 |
| FED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | | | 3,689,400.00 | 95.35 | 3,689,400.00 | 95.35 |

Outpatient Competency, Conditional and Supervised Release Reestimates (DIN 5201)

The Department requests an increase of \$423,700 GPR in FY08 and \$1,543,300 GPR in FY09 to fund the projected costs of the outpatient competency examinations and the conditional and supervised release programs for the 2007-2009 biennium.

The Supervised Release program provides treatment to individuals determined to be Sexually Violent Persons (SVPs) under chapter 980 of the statutes and who have been released by the court under the supervision of the Department. The Conditional Release program provides treatment to individuals who have been conditionally released from one of the State of Wisconsin mental health institutions. The program is a state-funded, community-based program administered by private and public agencies under the supervision of the Department. Competency-to-stand-trial examinations are performed by the Department on an inpatient or outpatient basis. Inpatient examinations are conducted by department staff in one of the Mental Health Institutes. The Department contracts with a private provider to conduct outpatient competency examinations in a jail or locked unit of a facility. The increase in costs results from projected increases in caseload and service costs, including the cost of global positioning system (GPS) monitoring and escorts for SVPs required under 2005 Act 431.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 423,700.00 | | 1,543,300.00 | | 1,967,000.00 | |
| FED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 423,700.00 | | 1,543,300.00 | | 1,967,000.00 | |

CIP 1A Reestimate (DIN 5202)

The Department requests an increase of \$2,642,500 PR and 73.86 FTE PR in both years of the biennium to reflect the number of individuals who relocated from the state centers for the developmentally disabled to the community under the Community Integration Program (CIP 1A). The following changes are requested for the two centers which provide long term care services based on actual placements made in FY06 and projected placements for FY07:

Central Wisconsin Center. Act 25, the 2005-2007 biennial budget, deleted (67.70) FTE PR from Central Center in FY07 based on a projection of 40 placements in the 2005-2007 biennium. DIN 3003, Full Funding of Salaries and Fringe, deletes (\$3,113,100) PR per year in salary and fringe budget associated with the (67.70) FTE PR deleted in Act 25.

Central Center actually achieved 7 placements in FY06 and projects 5 placements in FY07. Because actual relocations were lower than projected the Department requests that 46.20 FTE PR and \$1,689,600 PR in salary, fringe and related non-salary budget authority be restored to the Center's budget in FY08 and FY09. Section 49.45(6b) of the statutes requires the Department to reduce reimbursement to the Centers by \$325 per day for each placement in the CIP 1A program. Per this statute, the center must reduce its budget by (\$1,423,500) PR per year in FY06 and FY07. The difference between the spending authority deleted in DIN 3003 (\$3,113,100) and the amount restored in this decision item, \$1,689,600, equals (\$1,423,500).

Southern Wisconsin Center. Act 25 deleted (64.30) FTE PR from Southern Wisconsin Center based on a projection of 50 placements from the center in the 2005-2007 biennium. DIN 3003, Full Funding of Salaries and Fringe, deletes (\$2,850,900) PR per year in salary and fringe budget associated with the (64.30) FTE PR deleted in Act 25.

The center achieved 8 placements in FY06 and expects 8 placements in FY07. Because of the lower than projected number of placements, the Department requests that 27.66 FTE PR and \$952,900 PR in salary, fringe and related non-salary budget authority be restored to the Center's budget in FY08 and FY09. The net reduction to the center's budget, as a result of the 16 placements, will be (\$1,898,000) PR in FY08 and FY09. This amount represents the difference between the spending authority deleted in DIN 3003 (\$2,850,900) and the amount restored in this decision item, \$952,900.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-------|--------------|-------|----------------|-------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | 2,642,500.00 | 73.86 | 2,642,500.00 | 73.86 | 5,285,000.00 | 73.86 |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 2,642,500.00 | 73.86 | 2,642,500.00 | 73.86 | 5,285,000.00 | 73.86 |

Mental Health Institute Split (DIN 5203)

The Department requests an increase of \$1,800,400 GPR and 7.53 GPR FTE and a reduction of (\$1,800,400) PR and (7.53) PR FTE in FY08 and an increase of \$1,819,500 GPR and 7.53 GPR FTE and a reduction of (\$1,819,500) PR and (7.53) PR FTE in FY09 as a result of the reestimate of the GPR/PR funding split at the Mendota and Winnebago Mental Health Institutes to reflect changes in their patient populations. The cost of care for forensic commitments is the responsibility of the state and is funded with GPR. The cost of care for civil commitments and voluntary patients is the responsibility of boards established under s. 51.42 and other third-party payers and is funded with PR revenue received from these payers.

This request updates the current budgeted GPR/PR split to reflect the most recent patient population information. The split calculation is based on actual billable (PR) and non-billable (GPR) populations, adjusted for anticipated population changes, which is consistent with methodologies used in previous biennia. The new splits will be 70% GPR/30% PR at Mendota and 55% GPR/45% PR at Winnebago for both years of the 2007-2009 biennium.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|----------------|--------|----------------|--------|----------------|--------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 1,800,400.00 | 7.53 | 1,819,500.00 | 7.53 | 3,619,900.00 | 7.53 |
| FED | | | | | | |
| PR | (1,800,400.00) | (7.53) | (1,819,500.00) | (7.53) | (3,619,900.00) | (7.53) |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | | | | | | |

Shared Services (DIN 5204)

The Department requests line transfers in both years of the biennium to appropriately fund the Division of Disability and Elder Services (DDES) positions performing services for the institutions, such as buildings and grounds and business office positions. Positions on the Madison campus perform services for Mendota Mental Health Institute (MMHI) and Central Wisconsin Center (CWC). Positions on the Oshkosh campus perform services for Winnebago Mental Health Institute (WMHI) and Wisconsin Resource Center (WRC). This decision item adjusts the direct funding of shared services positions to reflect actual tasks performed and streamlines administrative work by eliminating the chargeback procedure of PRS positions.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------|-----|---------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | | | | | | |

CIP 1A Prospective Cuts (DIN 5205)

The Department requests a decrease of (73.86) FTE PR in FY09 based on a projection of 36 placements from Central Wisconsin Center and Southern Wisconsin Center for the developmentally disabled under the CIP 1A program during the 2007-2009 biennium. As Center residents relocate to the community, the need for staff at the Centers decreases.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------|-----|---------|---------|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PR | | | | (73.86) | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | | | | (73.86) | | |

Community Aids (DIN 5301)

The Department requests an increase of \$103,100 GPR and \$32,400 FED in both years of the biennium as well as offsetting changes in federal funding to provide permanent full funding for the CY06 foster care rate increase in Community Aids and to re-estimate federal funding for the program. The net fiscal effect of the changes in this budget item is to maintain Community Aids at its base CY06 level. Community Aids provides funding to counties to use for social, mental health, alcohol/drug abuse and disability services. Community Aids is composed of GPR and federal funds. This budget item decreases Social Services Block Grant (SSBG) funding by (\$78,600) FED and federal child welfare IV-B Subpart 1 funding by (\$255,300) FED annually to reflect changes in the availability of federal funding and requests an offsetting increase in federal IV-E foster care funding of \$333,900 FED annually.

Act 25, the 2005-07 biennial budget, enacted a 5% increase in CY06 for rates paid by counties and the state to foster care parents for children in their care. To permanently fully fund counties for the CY06 foster care rate increase, this budget item requests increases to Community Aids of \$103,100 GPR and \$32,400 FED annually.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 103,100.00 | | 103,100.00 | | 206,200.00 | |
| FED | 32,400.00 | | 32,400.00 | | 64,800.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 135,500.00 | | 135,500.00 | | 271,000.00 | |

Milwaukee Child Welfare Reestimate (DIN 5302)

The Department requests an increase of \$3,024,900 GPR, \$5,131,000 PR, \$69,800 PRS and 11.27 FTE GPR and a decrease of (\$2,716,900) FED, and (11.27) FTE FED in FY08 and an increase of \$8,175,000 GPR, \$69,800 PRS, and 11.27 FTE GPR and a decrease of (\$2,736,000) FED and (11.27) FTE FED in FY09 to fund the projected needs of the Bureau of Milwaukee Child Welfare (BMCW).

The Department has been responsible for administering the child protective services system in Milwaukee County since January 1, 1998. This budget request reflects a reestimate of the funding needed to support BMCW services and operations based on projected caseloads and service expenditures and changes in federal funding reimbursement rates.

This reestimate contains three major components. The first component is a drop in federal reimbursement rates. The federal Deficit Reduction Act of 2005 (P.L. 109-171) enacted in February 2006 imposes new limits on the types of child welfare costs that are federally reimbursable. As a result, a smaller portion of BMCW costs are eligible for federal IV-E reimbursement. The Department requests an increase in GPR and program revenue to offset the reduction in IV-E funds.

The second component is out-of-home care expenditures. While the overall caseload has remained relatively stable, there has been an increase in the proportion of complex and special needs children who need to be placed in group homes, treatment foster care, and residential care centers, all of which have relatively higher costs.

The third component is to provide permanent funding to continue case manager recruitment, retention, and training efforts at the three ongoing case management partner agencies. These initiatives include base salary increases and enhanced training for ongoing case managers and supervisors. These efforts were begun in the 2005-07 biennium with one time funding and therefore require permanent funding to continue. These measures have been instrumental in improving case manager retention, and thereby the quality of child welfare services.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|----------------|---------|----------------|---------|----------------|---------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 3,024,900.00 | 11.27 | 8,175,000.00 | 11.27 | 11,199,900.00 | 11.27 |
| FED | (2,716,900.00) | (11.27) | (2,736,000.00) | (11.27) | (5,452,900.00) | (11.27) |
| PR | 5,131,000.00 | | | | 5,131,000.00 | |
| PRS | 69,800.00 | | 69,800.00 | | 139,600.00 | |
| SEG | | | | | | |
| Total | 5,508,800.00 | | 5,508,800.00 | | 11,017,600.00 | |

Bureau of Regulation and Licensing Cost to Continue (DIN 5303)

The Department requests an increase of \$175,300 PRS (CCDF) in FY08 and an increase of \$176,600 PRS (CCDF) in FY09 to provide full funding for the child care licensing functions of the Bureau of Regulation and Licensing (BRL). The PRS funding is federal Child Care Development Funds (CCDF).

The Bureau of Regulation and Licensing (BRL) in the Division of Children and Family Services (DCFS) has responsibility for licensing and regulating child day care facilities, children's group homes, shelter care facilities, residential care centers for children, and child placing agencies for foster care and adoption. BRL provides quality assurance and consumer protection services for children in care in licensed children's programs throughout the state. These funds will support the fringe and supplies and services costs of existing child care licensing staff. The increase in this item is in addition to adjustments in DIN 3003, Full Funding of Salaries and Fringe.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PRS | | | | | | |
| PRS | 175,300.00 | | 176,600.00 | | 351,900.00 | |
| SEG | | | | | | |
| Total | 175,300.00 | | 176,600.00 | | 351,900.00 | |

Foster Care Rate Increase (DIN 5304)

The Department requests \$426,000 GPR and \$131,400 FED in FY08 and \$1,278,300 GPR and \$393,900 FED in FY09 to implement a 5% uniform foster care rate increase effective January 2008 and an additional 5% increase effective January 2009.

Uniform foster care rates are established under s. 48.62 (4) and are paid to foster parents, treatment foster parents, and family operated group homes for the cost of caring for a foster child. Current benefit levels range from \$317 for children four years old and below to \$411 for children 15 years and above and are intended to cover food, clothing, housing, personal care and other expenses. Wisconsin's rates are not automatically adjusted for inflation and are significantly below those of other midwestern states. This proposal will bring Wisconsin's rates closer to the regional average and will enhance support for foster parents in caring for their foster children.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 426,000.00 | | 1,278,300.00 | | 1,704,300.00 | |
| FED | 131,400.00 | | 393,900.00 | | 525,300.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 557,400.00 | | 1,672,200.00 | | 2,229,600.00 | |

WiSACWIS Reestimate (DIN 5305)

The Department requests an increase of \$94,300 PRS (TANF and internal services), 0.50 GPR FTE and 0.50 FED FTE and a decrease of (\$11,500) FED and (\$271,300) PR (changes in MA-TCM and county payments) and (1.00) PRS FTE in FY08 and \$22,100 FED, and an increase of \$115,600 PRS (TANF and internal services), 0.50 GPR FTE and 0.50 FTE FED and a decrease of (\$338,700) PR (changes in MA-TCM and county payments) and (1.00) PRS FTE in FY09 to provide ongoing funding for WiSACWIS.

WiSACWIS is the federally mandated, automated child welfare system designed to assist line workers and administrators in managing child welfare services in the areas of intake, assessment, eligibility determination, case management, court processing, financial reporting and administration.

The WiSACWIS reestimate has two cost components, masterlease payments for implementation costs and ongoing infrastructure and personnel costs. This reestimate reflects a decrease in masterlease costs, an increase in ongoing costs, and reestimates of federal funding reimbursement rates in the next biennium. The ongoing personnel and infrastructure costs of WiSACWIS are funded with federal, state and county funds. Under current law, the county share of ongoing personnel and infrastructure costs is equal to one-third of the non-federal share. The ongoing costs of maintaining WiSACWIS in Milwaukee County are reflected in DIN 5302, Milwaukee Child Welfare Reestimate.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|--------|--------------|--------|----------------|--------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | 0.50 | | 0.50 | | 0.50 |
| FED | (11,500.00) | 0.50 | 22,100.00 | 0.50 | 10,600.00 | 0.50 |
| PR | (271,300.00) | | (338,700.00) | | (610,000.00) | |
| PRS | 94,300.00 | (1.00) | 115,600.00 | (1.00) | 209,900.00 | (1.00) |
| SEG | | | | | | |
| Total | (188,500.00) | | (201,000.00) | | (389,500.00) | |

State Foster Care and Adoption Assistance Reestimate (DIN 5306)

The Department requests \$1,147,500 GPR and \$1,119,600 FED in FY08 and \$4,486,400 GPR and \$4,375,100 FED in FY09 for the projected costs of foster care and adoption assistance payments for special needs children in the 2007-09 biennium.

The Department is responsible for special needs children for whom parental rights have been terminated. After termination of parental rights and while awaiting adoption, the children are under the state's guardianship, and the Department pays their out-of-home care costs. The Department is also responsible for special needs adoption assistance payments to the adoptive family once the child is adopted.

The reestimate is based on recent expenditure trends in the program. The total cost of the program has been increasing for several years primarily due to an increase in the number of children in the adoption assistance program.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 1,147,500.00 | | 4,486,400.00 | | 5,633,900.00 | |
| FED | 1,119,600.00 | | 4,375,100.00 | | 5,494,700.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 2,267,100.00 | | 8,861,500.00 | | 11,128,600.00 | |

Kinship Care Reestimate (DIN 5307)

The Department requests an increase of \$968,700 PRS (TANF) in both years of the biennium to fund the projected costs of kinship care payments, assessments, and administration.

Kinship Care is the care of minor children by a relative for which the relative receives a payment of \$215 per month per child from a public child welfare agency. The Department administers the program in Milwaukee County as part of the Bureau of Milwaukee Child Welfare (BMCW) and contracts with non-Milwaukee counties and tribes to manage the program in their jurisdiction. The program is funded with federal Temporary Assistance to Needy Families (TANF) revenue. The projected caseload in this reestimate is based on the experience of Kinship Care eligible cases during the most recent year, FY06.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | | | | | | |
| PRS | | | | | | |
| PRS | 968,700.00 | | 968,700.00 | | 1,937,400.00 | |
| SEG | | | | | | |
| Total | 968,700.00 | | 968,700.00 | | 1,937,400.00 | |

MA Base Reestimate (DIN 5400)

The Department requests an increase of \$90,278,200 GPR, and \$84,603,700 FED and a decrease of (\$32,183,700) SEG in FY08 and an increase of \$214,792,700 GPR and \$224,071,400 FED and a decrease of (\$36,806,000) SEG in FY09 to fund the ongoing cost for the Medical Assistance (MA) program. Total MA expenditures are projected to be \$4,621,657,800 AF (\$1,810,047,000 GPR, \$78,198,200 SEG, \$9,124,400 PR, and \$2,724,288,200 FED) in FY08 and \$4,881,526,800 AF (\$1,935,070,600 GPR, \$73,575,900 SEG, \$9,124,400 PR, and \$2,863,755,900 FED) in FY09.

The base reestimate adjusts MA base expenditures to account for projected changes in recipient caseloads, service intensity, the federal financial participation matching rate, and costs to continue in various services and programs.

The Department is projecting overall caseload to decrease by (0.8%) in FY07 and increase 4.3% in FY08 and 3.2% in FY09. It is estimated that caseload changes will cost \$108,690,200 AF (\$50,375,300 GPR) in FY08 and an additional \$121,543,700 AF (\$42,631,100 GPR) in FY09.

Intensity is a measurement of the extent to which clients utilize more or less services and the extent to which more or less costly services are delivered. It is estimated that intensity changes to MA will cost \$99,318,400 AF (\$38,713,000 GPR) in FY08 and an additional \$113,623,700 AF (\$52,459,000 GPR) in FY09.

Intensity changes in utilization of services affect managed care as well as the fee-for-service system under MA. This reestimate includes capitation rate adjustments to reflect the projected intensity changes in managed care costs so that the discount rate is maintained at current levels. This adjustment is necessary since federal regulations require that capitation rates are

actuarially sound, and so, adjustments are needed to reflect increased utilization of services that occur each year. Managed care programs provide a less expensive alternative to MA fee-for-service since capitation rates are set at a discount rate from the fee-for-service equivalent.

The federal financial participation (FFP) rate is projected to decrease over the 2007-2009 biennium. Wisconsin's federal reimbursement rate is projected to decrease from 57.52% in FY09 to 57.45% in SFY08 and 57.29% in FY09. This decline in the FFP rate is projected to increase GPR costs in the 2007-2009 biennium by approximately \$9,392,700 GPR.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|-----------------|-----|-----------------|-----|-----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 90,278,200.00 | | 214,792,700.00 | | 305,070,900.00 | |
| FED | 84,603,700.00 | | 224,071,400.00 | | 308,675,100.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | (32,183,700.00) | | (36,806,000.00) | | (68,989,700.00) | |
| Total | 142,698,200.00 | | 402,058,100.00 | | 544,756,300.00 | |

BadgerCare Reestimate (DIN 5401)

The Department requests an increase of \$3,318,700 GPR, \$16,467,900 FED and \$384,900 PR in FY08 and an increase of \$13,310,200 GPR, \$33,137,500 FED and \$855,900 PR in FY09 to support the continued operation of the current BadgerCare program.

BadgerCare is a health insurance program for uninsured low-income families. Uninsured families with dependent children who are not eligible for Medical Assistance (MA) qualify for coverage under BadgerCare if the family's income is below 185% of the federal poverty level (FPL). Families who begin participating in the program when the family's income is less than 185% of the FPL remain eligible until the family's income exceeds 200% of the FPL.

Based on recent trends, caseloads are projected to increase by 6% per year in FY08 and FY09.

Intensity is a measurement of the extent to which clients utilize more or less services and the extent to which more or less costly services are delivered. It is assumed that intensity will increase at an annual rate of 2.5% for children and 5.2% for adults in the fee-for-service area. Capitation rates are adjusted on a calendar bases by a blended 4.5% annual rate for intensity changes in managed care. An intensity adjustment is necessary for managed care since federal regulations require that capitation rates are actuarially sound, and so, adjustments are needed to reflect increased utilization of services that occur each year. Managed care programs provide a less expensive alternative to MA fee-for-service since capitation rates are set at a discount rate from the fee-for-service equivalent.

The requested increases for PR reflect estimated increases in premium collections from the growth in the number of BadgerCare enrollees.

It is projected that expenditures for the current BadgerCare program will total \$236,414,500 AF (\$81,449,700 GPR, \$147,329,000 FED and \$7,635,800 PR) in FY08 and \$263,546,600 AF (\$91,441,200 GPR, \$163,998,600 FED and \$8,106,800 PR) in FY09.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------------|-----|---------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 3,318,700.00 | | 13,310,200.00 | | 16,628,900.00 | |
| FED | 16,467,900.00 | | 33,137,500.00 | | 49,605,400.00 | |
| PR | 384,900.00 | | 855,900.00 | | 1,240,800.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 20,171,500.00 | | 47,303,600.00 | | 67,475,100.00 | |

SeniorCare Reestimate (DIN 5402)

The Department requests an increase of \$4,232,400 GPR, \$4,859,000 FED and \$29,098,700 PR in FY08 and an increase of \$17,057,300 GPR, \$16,108,000 FED, and \$43,735,000 PR in FY09 to fund the ongoing costs of the current SeniorCare program.

SeniorCare provides prescription drug assistance to Wisconsin residents over 65 years of age whose income does not exceed 240% of the Federal Poverty Level (FPL) and to those whose income exceeds 240% of the FPL if their prescription drug expenditures bring their net income below the 240% limit (termed spenddown). Participants in SeniorCare are required to pay an annual \$30 enrollment fee and co-payments of \$15 for each name brand drug and \$5 for each generic drug. Also, participants with incomes over 160% of the FPL are subject to a deductible of \$500 (160% to 200% of the FPL) or \$850 (200% to 240% of the FPL) before SeniorCare will reimburse a participant's prescription drug expenditures.

SeniorCare enrollment is projected to increase at an annual rate of 2% which will increase monthly enrollment from 111,260 at the end of FY06 to 114,762 at the end of FY08 and 117,058 at the end of FY09.

The projection assumes that the combined effect of drug inflation and utilization of drugs will result in an increase in the average cost of drug expenditures per participant of 12% annually in FY06 and FY07. Since copayments and deductibles are assumed to remain at current levels, the 12% drug inflation/utilization increase will increase state costs per participant by 16.6% in FY08 and 18.4% in FY09.

The reestimate reflects the substantial gain in drug rebates that has been achieved in recent years through agreements with drug manufacturers for supplemental rebates. The reestimate assumes that rebates equal 38% of the state/federal payments under the SeniorCare program.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------------|-----|---------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 4,232,400.00 | | 17,057,300.00 | | 21,289,700.00 | |
| FED | 4,859,000.00 | | 16,108,000.00 | | 20,967,000.00 | |
| PR | 29,098,700.00 | | 43,735,000.00 | | 72,833,700.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 38,190,100.00 | | 76,900,300.00 | | 115,090,400.00 | |

Disease Aids Reestimate (DIN 5404)

The Department requests an increase of \$99,500 GPR and \$16,500 PR in FY08 and an increase of \$621,000 GPR and \$54,000 PR in FY09 to fund the projected costs of the Wisconsin Chronic Diseases Program (WCDP), also known as the Disease Aids program.

WCDP provides payments to health care providers for disease-related services for individuals with chronic renal disease, adult cystic fibrosis and hemophilia. Disease Aids is the payer of last resort for these programs. This reestimate incorporates projected increases in physician, outpatient, inpatient, and pharmacy health care costs based on the past experience of the Medicaid and Disease Aids programs. The reestimate also includes projected increases in drug manufacturer rebates, which are required under the program.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 99,500.00 | | 621,000.00 | | 720,500.00 | |
| FED | | | | | | |
| PR | 16,500.00 | | 54,000.00 | | 70,500.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 116,000.00 | | 675,000.00 | | 791,000.00 | |

Medicare Part B Premiums (DIN 5420)

The Department requests an increase of \$2,024,000 GPR and \$2,681,800 FED in FY08 and an increase of \$3,548,000 GPR and \$4,863,600 FED in FY09 to implement federal requirements related to Medicaid clients who are eligible for Medicare part B. The request is composed of an increase of \$4,205,800 AF (\$1,774,000 GPR) in FY08 and \$8,411,600 AF (\$3,548,000 GPR) in FY09 for Medicaid benefits and an increase of \$500,000 AF (\$250,000 GPR) in FY08 to pay for the cost of systems changes to CARES to implement the new policy.

Over 100,000 individuals in Wisconsin are dual Medicaid/Medicare recipients. Under Medicare Part B, clients receive coverage for a range of professional medical and other services, including outpatient hospital, physician, ambulatory surgery centers, durable medical equipment, home health services, and others. Recent federal guidance clarifies that federal regulations do not allow states to claim federal funding for state expenditures that could have been paid by Medicare Part B for Medicaid recipients who are not enrolled in Medicare Part B. Wisconsin's Medicaid payments for these individuals could be subject to a federal disallowance.

To comply with these federal regulations, the state will require, as a condition of Medicaid eligibility, that the recipient enroll in Medicare Part B if eligible. As further required by federal regulations, the state will pay the premiums for these individuals. The populations affected by the Medicare Part B policy include dual Medicaid/Medicare eligibles who have Medicare Part A (hospital insurance benefits) coverage only or recipients who have Medicare Parts A and D (drug benefits) coverage but have chosen not to enroll in Medicare Part B. Recipients who are Part A eligible are always entitled to Part B coverage. The proposed change is designed to ensure that there will be no change in service coverage or access for dual Medicaid-Medicare individuals.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 2,024,000.00 | | 3,548,000.00 | | 5,572,000.00 | |
| FED | 2,681,800.00 | | 4,863,600.00 | | 7,545,400.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 4,705,800.00 | | 8,411,600.00 | | 13,117,400.00 | |

ICF-MR Bed Assessment (DIN 5425)

The Department requests a decrease of (\$1,467,300) GPR and an increase of \$1,467,300 FED and \$2,554,000 SEG in FY08 and a decrease of (\$1,622,000) GPR and an increase of \$1,622,000 FED and \$2,831,200 SEG in FY09 to reflect increasing the monthly assessment on licensed beds in Intermediate Care Facilities for the Mentally Retarded (ICFs-MR) to 6% of gross revenues and to fund a rate increase for Medicaid recipients in ICFs-MR.

Under this proposal, the Department will annually set the monthly bed assessment on licensed ICF-MR beds at the rate that on average equals 6% of ICF-MR gross revenues. It is projected that the monthly assessment would increase from the current rate of \$445 per month per bed to \$640 in FY 08 and \$708 in FY 09. The new assessment levels would increase total assessments by \$2,554,000 in FY 08 and \$2,831,200 in FY09.

Under this proposal, the Medicaid rate increase for ICF-MR nursing home services will equal \$2,554,000 All Funds in FY08 and \$2,831,200 All Funds in FY09 for both private and public (including state) ICFs-MR.

Currently a bed assessment of \$445 per month is applied to 1,719 beds in Intermediate Care Facilities for the Mentally Retarded (ICF-MR), which serve developmentally disabled persons needing active treatment. Almost all ICF-MR residents are Medicaid recipients. The total number of licensed beds in ICFs-MR is projected to decline from 1,719 in FY06 to 898 in FY09, as residents relocate to the community under the Department's ICF-MR restructuring initiative. An increase in the ICF-MR bed assessment rate compensates for declining assessment revenue due to the decrease in the number of licensed beds. Federal requirements allow for an assessment rate of up to 6% of gross revenues.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|----------------|-----|----------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | (1,467,300.00) | | (1,622,000.00) | | (3,089,300.00) | |
| FED | 1,467,300.00 | | 1,622,000.00 | | 3,089,300.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | 2,554,000.00 | | 2,831,200.00 | | 5,385,200.00 | |
| Total | 2,554,000.00 | | 2,831,200.00 | | 5,385,200.00 | |

Medi-Medi Participation (DIN 5430)

The Department requests an increase of \$28,600 GPR and \$28,600 FED and an increase of 0.50 FTE GPR and 0.50 FTE FED in FY08 and a decrease of (\$83,900) GPR and (\$124,700) FED and an increase of \$19,800 PR, 0.50 FTE GPR and 0.50 FTE FED in FY09 to implement the federal/state Medi-Medi fraud identification program. This request consists of an increase in administrative costs of \$28,600 GPR and \$28,600 FED in FY08 and \$35,800 GPR, \$35,800 FED, and \$19,800 PR in FY09, and a decrease in Medicaid benefit expenditures of (\$119,700) GPR and (\$160,500) FED in FY09.

The Medi-Medi project jointly analyzes Medicare and Medicaid claims data and identifies fraudulent or duplicative claims. Under this proposal 1.0 FTE auditor position will manage and coordinate the activities of a federally funded data management contractor and oversee the related recovery and audit services. The project will generate increased collections, which will serve to offset Medicaid expenses. The net fiscal effect of the Medi-Medi program in FY09 will be a decrease of (\$83,900) GPR and (\$124,700) FED per year based on collections of \$300,000 AF less auditor expenses of \$71,600 AF and contingency fees of \$19,800. The net fiscal effect for the 2007-2009 biennium will be a decrease of (\$55,300) GPR and (\$96,100) FED.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|-----------|------|--------------|------|----------------|------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 28,600.00 | 0.50 | (83,900.00) | 0.50 | (55,300.00) | 0.50 |
| FED | 28,600.00 | 0.50 | (124,700.00) | 0.50 | (96,100.00) | 0.50 |
| PR | | | 19,800.00 | | 19,800.00 | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 57,200.00 | 1.00 | (188,800.00) | 1.00 | (131,600.00) | 1.00 |

Citizenship and Identity Documentation (DIN 5440)

The Department requests \$377,300 GPR and \$377,300 FED in both FY08 and FY09 to fund costs for county and tribal income maintenance agencies to implement new federal citizenship and identity documentation requirements.

The federal Deficit Reduction Act of 2005 (P.L. 109-171), enacted in February 2006, requires all Medicaid applicants and recipients who declare themselves to be U.S. citizens to document their citizenship and identity through passports, birth certificates, driver's licenses or other forms of identification. The federal provision was effective July 1, 2006. Failure to fully implement this provision will risk loss of federal Medicaid funding for benefits and administration for any case without documentation.

The Department requests the additional funding to fund county and tribal income maintenance staff workload to document citizenship and identity for an estimated 120,000 new Medicaid applicants per year and to pay for birth certificates or identity cards for approximately 4,500 applicants who cannot afford to purchase these documents. Providing adequate resources to counties to perform this workload will prevent the State from losing federal Medicaid revenues due to non-compliance with the federal mandate, ensure that ineligible non-citizens do not receive Medicaid benefits, and help prevent the disruption of health coverage for low income families and individuals who are Medicaid eligible.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 377,300.00 | | 377,300.00 | | 754,600.00 | |
| FED | 377,300.00 | | 377,300.00 | | 754,600.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 754,600.00 | | 754,600.00 | | 1,509,200.00 | |

Medicaid Asset Transfers (DIN 5441)

The Department requests a decrease of (\$816,900) GPR and (\$1,208,100) FED in FY08 and (\$2,299,100) GPR and (\$3,101,000) FED in FY09 as well as statutory changes to implement new federal requirements on asset transfers by Medicaid recipients.

The federal Deficit Reduction Act (DRA) of 2005 (P.L. 109-171), enacted in February 2006, includes a number of provisions that restrict the ability of individuals to transfer assets prior to enrolling in the Medicaid program. Failure to fully implement this provision will risk the loss of federal Medicaid funding to the state. The effect of the new federal restrictions is to delay Medicaid eligibility for individuals who divest assets.

The Department requests statutory changes to comply with federal law and begin implementation of DRA provisions. Administrative costs are estimated at \$600,000 AF (\$300,000 GPR) in FY08 and \$100,000 AF (\$50,000 GPR) in FY09. The Department projects net savings of \$2,025,000 AF (\$816,900 GPR) in FY08 and \$5,400,000 AF (\$2,299,100 GPR) in FY09 as a result of reduced expenditures in the Medicaid program of \$2,625,000 AF in FY08 and \$5,500,000 AF in FY09, resulting from the new asset transfer restrictions.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|----------------|-----|----------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | (816,900.00) | | (2,299,100.00) | | (3,116,000.00) | |
| FED | (1,208,100.00) | | (3,101,000.00) | | (4,309,100.00) | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | (2,025,000.00) | | (5,400,100.00) | | (7,425,100.00) | |

Medicaid Third Party Liability Enhancements (DIN 5442)

The Department requests a decrease of (\$192,500) GPR and (\$280,800) FED in FY09 to implement new federal third party liability (TPL) requirements.

The federal Deficit Reduction Act (DRA) of 2005 (P.L. 109-171) broadened the category of entities from which the state must require submission of health care insurance policy and coverage information. In addition to health insurers, the states must now require policy information to be submitted by self-insured plans (health benefit plans previously exempt under the Department of Labor's Employer Retirement Income Security Act of 1974), managed care organizations, pharmacy benefit managers, and "other parties that are, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service". State statutes require the Department to reimburse insurance companies for the reasonable cost of supplying information. By obtaining the additional information, the Department will be able to identify more instances in which private insurers or other entities are liable for the cost of care for Medicaid recipients, which will increase revenues to the Medicaid program. The fiscal

impact of this item includes an increase of \$60,000 AF (\$30,000 GPR) in operation costs for obtaining insurance data and a reduction of \$533,300 AF (\$222,500 GPR) in Medicaid and BadgerCare expenditures resulting from the enhanced revenue collections.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|---------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | (192,500.00) | | (192,500.00) | |
| FED | | | (280,800.00) | | (280,800.00) | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | | | (473,300.00) | | (473,300.00) | |

Wisconsin Funeral and Cemetery Aids Program (DIN 5451)

The Department requests \$1,989,200 GPR in FY08 and \$2,159,900 GPR in FY09 to fully fund projected costs in the funeral and cemetery aids program.

Under current statutes, for certain public assistance recipients, counties and tribal governing bodies are required to pay up to \$1,000 for cemetery expenses and up to \$1,500 for funeral and burial expenses if the estate does not have sufficient funding. The Department is required by statute to reimburse counties and tribal governing bodies for those expenses. Due to caseload growth, expenses have grown each year and are expected to total \$6,539,400 in FY08 and \$6,710,100 in FY09. Since funding for the funeral and cemetery aids programs is in the same sum certain appropriation as income maintenance payments to counties, unbudgeted costs in the funeral and cemetery aids program would result in a reduction in available funding for the income maintenance programs.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 1,989,200.00 | | 2,159,900.00 | | 4,149,100.00 | |
| FED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 1,989,200.00 | | 2,159,900.00 | | 4,149,100.00 | |

SSI Benefits and Administration Reestimate (DIN 5601)

The Department requests an increase of \$5,209,600 GPR and \$169,100 PRS (TANF) in FY08 and an increase of \$7,376,300 GPR and \$136,800 PRS (TANF) in FY09 to fund projected SSI and Caretaker Supplement expenditures in the next biennium. This request is composed of a change in benefits of \$5,088,000 in FY08 and \$7,254,700 in FY09 and a change in administrative costs of \$290,703 in FY08 and \$258,336 in FY09.

The State SSI Supplement program provides a cash benefit to low income elderly and disabled adults and disabled children. The Caretaker Supplement program provides a cash benefit to SSI recipients who have dependent children. The requested funding for benefits is based on projected caseloads in the 2007-2009 biennium. The caseload projection assumes that SSI benefits will follow the national projection of continued growth through the 2007-09 biennium, at the rate experienced in the last five years, which is 1.7% per year in Wisconsin. The Caretaker Supplement caseload is projected to remain steady at current levels.

The Department is budgeted \$611,800 GPR, \$447,800 FED (MA), and \$644,600 PRS (TANF) in FY07 to administer SSI and CTS benefits. These funds cover the costs of a contract for fiscal agent services, postage costs, and the Caretaker Supplement share of CARES and the Income Maintenance contract. Because of limited TANF funds, the 2005-2007 biennial budget did not fully fund the Caretaker Supplement CARES costs with base funding. The Department reallocated one time underspending from other TANF programs within the Department to fully fund the administrative costs in FY06.

Although Caretaker Supplement CARES costs are projected to decline in FY08 and FY09, a funding shortfall still remains. To fully fund SSI and CTS administrative costs, the Department is requesting \$290,703 PRS (TANF) in FY 08 and \$258,336 PRS (TANF) in FY 09.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|-----|--------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | 5,209,600.00 | | 7,376,300.00 | | 12,585,900.00 | |
| FED | | | | | | |
| PR | | | | | | |
| PRS | 169,100.00 | | 136,800.00 | | 305,900.00 | |
| SEG | | | | | | |
| Total | 5,378,700.00 | | 7,513,100.00 | | 12,891,800.00 | |

Office for the Blind and Visually Impaired (DIN 5602)

The Department requests an increase of \$289,800 FED (Income Augmentation Revenues) in FY08 and an increase of \$345,400 FED (Income Augmentation Revenues) in FY09 to fully fund services to blind and visually impaired individuals provided by the Office for the Blind and Visually Impaired through the 2007-09 biennium.

The Office, which is composed of 17.3 FTE staff located in regional offices throughout the state, provides rehabilitation teaching services to assist blind and visually impaired individuals live independently. These services provide critical supports to enable individuals to maintain their independence and avoid entering an institution. Federal vocational rehabilitation funds are no longer available to support its operations. As a result the Department has been forced to hold direct service staff positions vacant and reduce services.

Full funding for the staff requires \$289,800 in FY 08 and \$345,400 in FY 09. The leading causes of vision impairment in the United States are primarily age related eye diseases. The number of individuals affected by age-related eye diseases and vision are expected to double over the next three decades, as the population ages. Services provided by the Office are instrumental in enabling as many people as possible to live independently despite their impaired vision, without having to rely on high cost institutional care. It is appropriate to use income augmentation revenues to offset the funding shortfall resulting from a loss of another type of federal funding.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|------------|-----|------------|-----|----------------|-----|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | | | | | |
| FED | 289,800.00 | | 345,400.00 | | 635,200.00 | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | 289,800.00 | | 345,400.00 | | 635,200.00 | |

Administrative Transfers (DIN 5801)

The Department requests an increase of \$341,100 FED and a decrease of (\$112,600) PR and (\$191,200) PRS in FY08 and an increase of \$341,100 FED and a decrease of (\$112,600) PR and (\$219,400) PRS in FY09. The Department also requests an increase of 1.23 GPR FTE and 4.20 FED FTE and a decrease of (1.75) PR FTE and (3.68) PRS FTE in FY08 and an increase of 1.66 GPR FTE and 4.20 FED FTE and a decrease of (1.75) PR FTE and (4.11) PRS FTE in FY09. This is the net effect of formalizing internal transfers of positions in the 2005-07 biennium and corrections due to technical errors in the 2005-07 biennial budget.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|--------|--------------|--------|----------------|--------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| GPR | | 1.23 | | 1.66 | | 1.66 |
| FED | 341,100.00 | 4.20 | 341,100.00 | 4.20 | 682,200.00 | 4.20 |
| PR | (112,600.00) | (1.75) | (112,600.00) | (1.75) | (225,200.00) | (1.75) |
| PRS | (191,200.00) | (3.68) | (219,400.00) | (4.11) | (410,600.00) | (4.11) |
| SEG | | | | | | |
| Total | 37,300.00 | | 9,100.00 | | 46,400.00 | |

**Administrative Reductions
(DIN 5802)**

The Department requests the reduction of program revenue positions and expenditure authority due to projected decreases in revenue that will result in insufficient funding to sustain the positions.

Fiscal Effect Summary

| Source of Funds | FY 2008 | | FY 2009 | | Biennial Total | |
|-----------------|--------------|--------|--------------|--------|----------------|--------|
| | Dollars | FTE | Dollars | FTE | Dollars | FTE |
| PR | (262,000.00) | (4.25) | (262,000.00) | (4.25) | (524,000.00) | (4.25) |
| FED | | | | | | |
| PR | | | | | | |
| PRS | | | | | | |
| SEG | | | | | | |
| Total | (262,000.00) | (4.25) | (262,000.00) | (4.25) | (524,000.00) | (4.25) |

SUMMARY OF STATUTORY LANGUAGE REQUESTS SUBMITTED BY DHFS

I. Statutory Language Requests Related to DINs

Division of Children and Family Services

Community Aids (DIN 5301) - Update the statute to reference the current funding level for the Community Aids Basic County Allocation. (s. 46.40(2))

DHFS TANF and CCDF Allocations (DINs 5302, 5303, 5305, 5307, and 5601) - Update the amounts of TANF and CCDF funding to be provided by the Department of Workforce Development to DHFS to reflect the Department's budget request. (ss. 49.155(1g)(c) and 49.175(1)(2e))

Foster Care Rate Increase (DIN 5304) - Amend statutory foster care rates to increase the rates by 5% effective January 1, 2008 and an additional 5% effective January 1, 2009. (s. 48.62(4))

Division of Disability and Elder Services

Family Care Expansion (DIN 5001) - Provide the Department the authority to expand Family Care statewide, create an appropriation for county contributions to support the expanded program, allow counties that implement Family Care more flexibility in spending Community Options Program funding for children and people with mental illness, and make a number of technical changes to the Family Care statute. (ss. 20.435(7)(bd) and (g) and Chapter 46)

Family Care Phase-In of Entitlement for Non-MA Eligible Person (DIN 5001) - Extend the deadline for the establishment of the Family Care benefit on an entitlement basis for non-MA persons who are functionally eligible for Family Care from January 1, 2008 to January 1, 2010. (s. 46.286(3)(d))

Division of Health Care Financing

Medicare Part B Premiums (DIN 5420) - To comply with federal regulations, require Medicaid recipients, as a condition of eligibility, to enroll in Medicare Part B if they are eligible. In addition, require Medicaid to pay the Medicare Part B premiums for these individuals. (ss. 49.46 and 49.468)

ICF-MR Bed Assessment (DIN 5425) - Increase the bed assessment for intermediate care facilities for the mentally retarded (ICFs-MR) to 6 percent of gross revenues, to generate revenue for an offsetting rate increase for ICFs-MR and to create GPR savings. (s. 50.14(2))

Citizenship and Identity Documentation (DIN 5440) - Implement a new federal law requiring Medicaid recipients to document their citizenship and identity as a condition of eligibility. (s. 49.84)

Medicaid Asset Transfers (DIN 5441) - Implement new federal requirements on asset transfers by Medicaid recipients. (ss. 49.453 and 49.47)

Medicaid Third Party Liability Enhancements (DIN 5442) - To comply with a new federal law, broaden the category of entities that must submit health insurance policy information to DHFS at the Department's request for the purpose of identifying liable third parties for services provided through Medicaid. The newly-covered entities include self-insured plans, managed care organizations, pharmacy benefit managers, and others. (s. 49.475)

II. Statutory Language Requests Not Related to DINs

Division of Public Health

Cooperative Indian Health Program - Modify the provisions to broaden the purpose of the program to support all types of American Indian health programs, rather than just those that promote cooperation among tribes, tribal agencies, and inter-tribal organizations. Eliminate the restriction that the American Indian Health Program funding cannot fund more than 50% of the total cost of the project. (s. 146.19)

Division of Children and Family Services

Title IV-E -- Clarifying County Responsibilities - Amend child protective services statutes to ensure state law clearly conforms to federal requirements for claiming Title IV-E revenue. (Chapters 48, 55, 767, 938)

Division of Disability and Elder Services

Conditional Release Revocation Petition Timing - Require the Department to submit a petition to revoke an order for conditional release within 72 hours of a person being detained, excluding Saturdays, Sundays, and legal holidays. Current law requires the petition to be submitted within 48 hours. (s. 971.17(3)(e))

Consolidate Appropriations for Secure Treatment Facilities - Combine appropriations for the Wisconsin Resource Center and Sand Ridge Secure Treatment Facility into a single appropriation. (ss. 20.435(2)(b) and (bm))

Parental Fee in Children's Waiver - Clarify that parental fees collected by counties for county funded children's long term care services slots are retained by counties. (s. 20.435 (7)(h))

Nursing Home Uniform Licensure Law - Allow the department to place a monitor in a nursing facility when financial difficulties are identified or when the licensee has been charged and/or convicted of Medicare or Medicaid fraud or patient abuse/neglect. Increase the time limit for nursing homes to request a hearing regarding enforcement actions from 10 days to 60 days. (ss. 50.04(4)(e) and (5)(e), s. 50.05(2))

Allow Carryover for the Birth to 3 Program - Remove the requirement that the Department lapse unencumbered funds for the Birth to 3 Program, thereby enabling the Department to carry forward unencumbered funds for use in the program the following year. (s. 20.435(7)(bt))

Group Home Loan Revolving Fund Repeal - Repeal statutory provisions regarding the group home loan revolving fund, which was eliminated in the 2005-07 biennial budget. (s. 20.435(6)(gd) and s. 46.976(2))

Rates at Mendota Juvenile Detention Center - Amend the funding amounts the Department of Corrections will transfer to DHFS for juveniles in the Mendota Juvenile Treatment Center (MJTC), based on a re-estimate of those costs. (s. 46.057(2))

Division of Health Care Financing

Repealing the Nursing Home Bed Bank - Repeal provisions allowing nursing homes to delicense beds if their bed occupancy is below the minimum patient day occupancy standards established by the Department for Medicaid nursing home services reimbursement. The provision is obsolete because Medicaid no longer imposes occupancy standards for reimbursement purposes. (s. 49.45(6m)(ap))

Medicaid Providers Repayments to Recipients in Case of Retroactive Eligibility - To comply with federal law, prohibit a health care provider from keeping the difference between the amount paid by Medicaid and the amount a private pay applicant for Medicaid paid in cases where the applicant has been found eligible for Medicaid retroactively. (s. 49.49(3m)(a)2)

Medicaid Outpatient Prescription Drug Coverage for Medicare Eligible Individuals - Exclude outpatient drug coverage for drugs covered by Medicare Part D for persons who are eligible for full-benefits under Medicaid and who are also eligible for Medicare Part D coverage. Prescription drugs that are excluded from Medicare Part D coverage would still be covered by Medicaid. (s. 49.46(2)(d))

Tribal Relief Block Grant - Include mental health services in the types of services that can be funded with tribal relief block grant funding. (s. 49.029)

Program Revenue Appropriation for Contractor Fees - Allow Medicaid collections revenues resulting from performance based vendor contracts to be deposited to and spent from a program revenue appropriation. (s. 20.435(4)(im))

Division of Management and Technology

Audit Requirements for Agencies Receiving DHFS Funds - Increase the threshold for required audits of contracts involving DHFS funds from \$25,000 to \$100,000. (s. 46.036(4)(c))

Calendar Year Contracts - Request statutory language to give the Department explicit authority to allocate and administer funds from its aids and local assistance appropriations on a calendar year basis, to comply with technical accounting rules.

Department-wide

Streamlining Mandated Reports - Eliminate a number of statutorily mandated reports that are no longer necessary because the purpose for which the report was implemented has been achieved, the report duplicates information that is already published on the Department website or in other reports, or the information is communicated to the legislature in other ways.

Submittal of County and Tribal Budgets - Eliminate requirement that counties and tribal governing bodies submit annually proposed budgets for the expenditures of Community Aids funds. (s. 46.40(14m))

PROGRAM NARRATIVES

Division of Public Health (Programs 1 and 5)

The Division of Public Health works with public and private health agencies and care providers to protect health and life, prevent disease and disability, promote healthy behavior, and ensure the provision of accessible and adequate health care. It is responsible for programs in the areas of environmental health, occupational health, family and community health, emergency health services and injury prevention, chronic diseases, communicable diseases, and health promotion. It is responsible for preparing, collecting, analyzing, and disseminating health care information.

Division of Children and Family Services (Program 3)

The Division of Children and Family Services provides funding, direct services, community development services, and leadership in the development of policy for child welfare, adoption and family service programs. Funding to support these initiatives is provided through local and county agencies. The DCFS sets standards through administrative rule-making for this array of programs. In addition, the Division licenses and regulates child welfare programs, day care providers, and out-of-home care providers throughout the state. The Division is also responsible for directing and overseeing the state's assumption of responsibility for Milwaukee County's Child Protective Services System.

Division of Health Care Financing (Program 4)

The Division of Health Care Financing is responsible for purchasing quality health care services, determining eligibility for publicly-funded health care and food assistance programs, controlling health care costs in publicly-funded programs, expanding managed care programs, and managing the delivery of Food Stamps benefits. The Division of Health Care Financing administers the state's Medical Assistance program, BadgerCare program, SeniorCare program, and Food Stamps program.

Division of Disability and Elder Services (Programs 2, 6 and 7)

The Division of Disability and Elder Services provides funding and services, primarily through grantees and local agencies, to persons with developmental disabilities, mental illness, substance abuse problems, physical disabilities, and sensory disabilities. It also provides services to the elderly, particularly those who experience chronic conditions associated with aging. In addition, the Division licenses and certifies health and community care providers and facilities and long-term support programs for the above populations. In addition to community-based programs, the Disability and Elder Services Division administers the state's institutional programs for persons whose mental and physical needs cannot be met in a community setting, including those who have developmental disabilities, mental illness, or alcohol or other substance abuse issues. The institutions provide medical, psychological, social, and rehabilitative services. The Division also operates the Wisconsin Resource Center which serves mentally ill inmates whose treatment needs cannot be met in the traditional prison setting and the Sand Ridge Treatment Center which services individuals who are being detained or have been committed as sexually violent persons.

General Administration (Program 8)

Division of Management and Technology

The Division of Management and Technology provides personnel, financial, information technology and other administrative services to the program divisions of the Department of Health and Family Services, in order to support the divisions in delivering quality, cost-effective programs for the Department's clients. In addition, the Division assists the Department Secretary in effectively managing the agency by establishing and overseeing administrative policies and procedures, providing financial, technology, audit, and personnel advice, and ensuring compliance with laws, regulations, and standards.

Office of the Secretary and Units Reporting to the Office of the Secretary

The Office of the Secretary is responsible for the overall direction and operation of the Department of Health and Family Services. It receives direction from the Governor and the Legislature, and provides services through the five Divisions of the Department. The immediate Office of the Secretary consists of the Secretary, Deputy Secretary, Executive Assistant, and support staff. The support staff provide administrative support services, and provide for the analysis and monitoring of selected program and management issues. In addition, Public Information, Legislative Liaison, and Constituent Relations staff provide assistance directly to the Office of the Secretary. Other units that report to the Office of the Secretary are the Office of Legal Counsel and the Office of Strategic Finance. The Office of Strategic Finance has responsibility for the Department's budget, evaluation, quality improvement, strategic planning, area administration, and tribal affairs functions.

PRIORITY LISTING OF DINS

I. Governor's Initiatives to Improve Health Care and the Well-Being of Children

- 5001 Family Care Expansion
- 5002 BadgerCare Plus
- 5304 Foster Care Rate Increase

II. Compliance with Federal Mandates

- 5420 Medicare Part B
- 5430 Medi-Medi Participation
- 5440 Citizenship and Identity Documentation
- 5441 Medicaid Asset Transfers
- 5442 Medicaid Third Party Liability Enhancements

III. Revenue Maximization Initiatives

- 5425 ICF-MR Bed Assessment

IV. Cost to Continue for Existing Programs

- 5101 HIV/AIDS Reestimate
- 5102 Tuberculosis Program Reestimate
- 5200 Sexually Violent Persons Reestimate
- 5201 Outpatient Competency, Conditional and Supervised Release Reestimates
- 5202 CIP 1A Reestimate
- 5203 Mental Health Institute Split
- 5205 CIP 1A Prospective Cuts
- 5301 Community Aids
- 5302 Milwaukee Child Welfare Reestimate
- 5303 BRL Cost to Continue
- 5305 WISACWIS Reestimate
- 5306 State Foster Care and Adoption Assistance Reestimate
- 5307 Kinship Care Reestimate
- 5400 MA Base Reestimate
- 5401 BadgerCare Reestimate
- 5402 SeniorCare Reestimate
- 5404 Disease Aids Reestimate
- 5451 Wisconsin Funeral and Cemetery Aids Program
- 5601 SSI Benefits and Administration Reestimate
- 5602 Office for the Blind and Visually Impaired

V. Administrative Simplifications and Technical Adjustments

- 5204 Shared Services
- 5801 Administrative Transfers
- 5802 Administrative Reductions

Department of Health and Family Services

June 2006

Northeastern Regional Office

Northern Regional Office

Southeastern Regional Office

Southern Regional Office

Western Regional Office

